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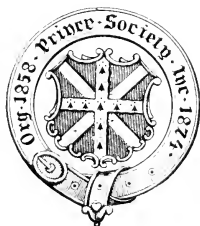




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Publications of the Prince Society



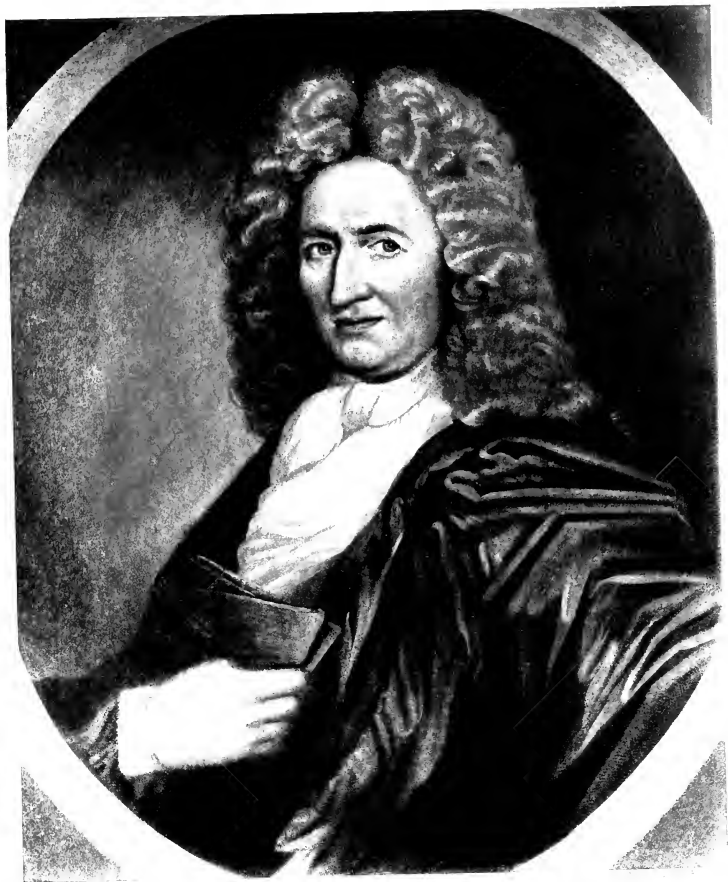
COLONIAL CURRENCY  
REPRINTS

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VOLUME I







John Colman

THE

Established May 25th, 1858

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# COLONIAL CURRENCY REPRINTS

**Boston**

PRINTED FOR THE SOCIETY

By JOHN WILSON AND SON

1910

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# COLONIAL CURRENCY REPRINTS

1682-1751

WITH AN INTRODUCTION AND NOTES

BY

ANDREW MCFARLAND DAVIS, A.M.

VOL. I

**Boston**

PUBLISHED BY THE PRINCE SOCIETY

1910

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## PREFATORY NOTE

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It is the purpose of the Prince Society to reprint a number of pamphlets treating of the currency question, most of which were issued during the first half of the eighteenth century. A list of the publications which are intended to be included in the series is given below. The first five titles are all dated prior to 1700, and among them are to be found the only exceptions to the general statement which might otherwise be made, that the pamphlets hereinafter reproduced were all the productions of our own press. The two exceptions are No. 2, "A discourse in explanation of the bank of credit," which is in manuscript among the Winthrop Papers at the Massachusetts Historical Society, and No. 3, which was originally printed in London, but which has some inserted leaves and a supplement, undoubtedly added in Boston.

In addition to the pamphlets, there will be included in the series certain communications to the Boston newspapers, in which the emission in 1733 by a company composed of Boston merchants, of notes or bills of their own, with a view of supplanting the currency of Rhode Island bills of public credit, is discussed at some length. The discussion relative

to this important experiment was almost exclusively confined to the newspapers, and the subject forms too important a part of the currency question of this period to be neglected.

It is possible that other pamphlets may be discovered while these reprints are going through the press. If such should be the case, such discoveries will be included in the series, in their chronological sequence, if the discovery is opportune, otherwise in an appendix.

It is believed that the entire publication can be effected in four volumes, including the notes which the Editor will make to the several pamphlets.

The list given below furnishes enough of the titles of the several pamphlets to distinguish them from each other. The number of pages of the original edition of each pamphlet is stated and also the size of the leaves. These measurements of course merely indicate the present sizes, which in many cases have been materially reduced by indiscreet binders. The libraries in which the several publications can be found to-day are also pointed out.

A. McF. D.

CAMBRIDGE, June, 1909.

## KEY TO ABBREVIATIONS

- A.A.S., American Antiquarian Society.
- B.A., Boston Athenæum.
- B.P.L., Boston Public Library.
- D., In my own possession.
- H.C., Harvard College.
- J.C.B., John Carter Brown Library, Providence.
- L.C., Library of Congress.
- M.H.S., Massachusetts Historical Society.
- N.Y.H.S., New York Historical Society.
- N.Y.P.L., New York Public Library.
- P.H.S., Pennsylvania Historical Society.
- W., Watkinson Library, Hartford.

# CHRONOLOGICAL LIST OF PAMPHLETS

- 1    Severals relating to the Fund, etc. 1682  
       Quarto 8 pp.  $7\frac{3}{4}$  by  $5\frac{5}{8}$ .    W.
- 2    A discourse in explanation of the bank of credit, etc. 1687  
       MS.    M.H.S.
- 3    A model for erecting a bank, etc. [London] 1688  
       38 pp.  $5\frac{5}{8}$  by  $3\frac{1}{2}$ .    B.A.    B.P.L.
- 4    Some considerations of the bills of credit, etc. 1691  
       9 pp.  $5\frac{3}{4}$  by  $3\frac{3}{8}$ .    B.A.    W.
- 5    Some additional considerations of the bills of credit,  
       etc. 1691  
       13 pp.  $5\frac{3}{4}$  by  $3\frac{3}{8}$ .    B.A.    W.
- 6    A model for erecting a bank, etc. [Reprint 1688] 1714  
       30 pp.  $5\frac{3}{4}$  by  $3\frac{3}{8}$ .    B.A.    J.C.B.    L.C.    M.H.S.
- 7    Objections to the bank of credit, etc. 1714  
       32 pp.  $5\frac{7}{8}$  by  $3\frac{1}{2}$ .    A.A.S.    B.P.L.    J.C.B.    L.C.
- 8    A letter from one in Boston to his friend, etc. 1714  
       37 pp.  $5\frac{3}{4}$  by  $3\frac{3}{4}$ .    A.A.S.    B.A.    B.P.L.    D.  
       M.H.S.
- 9    A vindication of the bank of credit, etc. 1714  
       20 pp.  $5\frac{3}{4}$  by  $3\frac{3}{4}$ .    A.A.S.    B.A.    B.P.L.    H.C.  
       L.C.    M.H.S.
- 10   A projection for erecting a bank, etc. 1714  
       22 pp.  $5\frac{3}{4}$  by  $3\frac{1}{2}$ .    A.A.S.    B.A.    B.P.L.    H.C.  
       L.C.    M.H.S.    N.Y.P.L.
- 11   Some considerations upon the several sorts of banks,  
       etc. 1716  
       16 pp.  $6\frac{1}{8}$  by  $4\frac{1}{8}$ .    B.P.L.    J.C.B.

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| 12 | The present melancholy circumstances, etc.<br>16 pp. 5 $\frac{5}{8}$ by 3 $\frac{3}{8}$ . B.P.L. L.C. M.H.S.  | 1719 |
| 13 | An addition to the present melancholy circumstances,<br>etc.<br>27 pp. 6 $\frac{1}{8}$ by 3 $\frac{5}{8}$ . L.C. M.H.S.                                   | 1719 |
| 14 | The distressed state of the town of Boston considered,<br>etc.<br>10 pp. 6 $\frac{1}{2}$ by 3 $\frac{3}{4}$ . A.A.S. B.P.L. D. L.C. M.H.S.                | 1720 |
| 15 | A letter from one in the country, etc.<br>22 pp. 6 $\frac{1}{8}$ by 4 $\frac{3}{8}$ . B.P.L. D. L.C. M.H.S.<br>N.Y.P.L.                                   | 1720 |
| 16 | The Postscript.<br>3 pp. 7 $\frac{1}{4}$ by 5 $\frac{3}{4}$ . A.A.S. L.C.   | 1720 |
| 17 | A letter from a gentleman containing some remarks,<br>etc.<br>15 pp. 6 by 4. B.P.L. L.C. M.H.S.   | 1720 |
| 18 | A vindication of the remarks of one in the country,<br>etc.<br>20 pp. 6 $\frac{1}{4}$ by 4 $\frac{1}{8}$ . A.A.S. B.P.L. L.C. N.Y.P.L.                    | 1720 |
| 19 | Reflections on the present state of the province, etc.<br>22 pp. 5 $\frac{3}{4}$ by 3 $\frac{3}{4}$ . B.A. B.P.L. D. M.H.S.                               | 1720 |
| 20 | The distressed state of the town of Boston once more<br>considered, etc.<br>22 pp. 5 $\frac{3}{4}$ by 3 $\frac{3}{4}$ . B.A. B.P.L. D. M.H.S.<br>N.Y.P.L. | 1720 |
| 21 | Some proposals to benefit the province.<br>15 pp. 6 $\frac{1}{8}$ by 3 $\frac{3}{4}$ . A.A.S. D.  | 1720 |
| 22 | Reflections upon reflections or more news, etc.<br>14 pp. 6 by 3 $\frac{5}{8}$ . B.P.L.   | 1720 |
| 23 | New news from Robinson Crusoe's Island, etc.<br>8 pp. 5 $\frac{7}{8}$ by 3 $\frac{5}{8}$ . B.P.L. L.C.  | 1720 |

# x      *Chronological List of Pamphlets*

- |    |  |  |
|----|--|--|
| 24 | A project for the emission of £100,000, etc.<br>16 pp. 6 $\frac{1}{8}$ by 3 $\frac{7}{8}$ . A.A.S. L.C. M.H.S.   | 1720   |
| 25 | A letter to an eminent clergyman, etc.<br>13 pp. 5 $\frac{5}{8}$ by 3 $\frac{1}{2}$ . B.A. B.P.L. M.H.S. N.Y.P.L.  | 1720   |
| 26 | A word of comfort to a melancholy country, etc.<br>58 pp. 5 $\frac{3}{4}$ by 3 $\frac{5}{8}$ . A.A.S. B.P.L. J.C.B. L.C. M.H.S.  | 1721   |
| 27 | A friendly check from a kind relation, etc.<br>7 pp. 5 $\frac{1}{2}$ by 3 $\frac{1}{2}$ . B.A. B.P.L. M.H.S. N.Y.P.L.  | 1721   |
| 28 | A letter from a gentleman in Mount Hope to his friend<br>in Treamount.<br>7 pp. 6 by 3 $\frac{5}{8}$ . B.P.L.  | 1721   |
| 29 | A discourse shewing that the real first cause, etc.<br>16 pp. 4 $\frac{7}{8}$ by 3 $\frac{1}{2}$ . B.P.L. L.C.   | 1721   |
| 30 | The second part of South Sea stock, etc.<br>26 pp. 5 $\frac{5}{8}$ by 3 $\frac{1}{2}$ . A.A.S. B.A. B.P.L. D.  | 1721   |
| 31 | A modest enquiry into the nature, etc.<br>36 pp. 6 $\frac{1}{2}$ by 4 $\frac{1}{8}$ . P.H.S.   | 1729   |
| 32 | Trade and Commerce inculcated, etc.<br>58 pp. 7 $\frac{1}{4}$ by 4 $\frac{3}{4}$ . L.C.  | 1731   |
| 33 | Money the sinews of trade, etc.<br>16 pp. 6 $\frac{1}{2}$ by 4 $\frac{1}{4}$ . B.A. B.P.L. H.C.  | 1731   |
| 34 | Lex et Libertas.<br>3 pp. 12 by 7 $\frac{1}{2}$ . N.Y.H.S.   | 1732   |
| 35 | Extracts from newspapers.<br>The New England Weekly Journal, January 14.<br>The New England Weekly Journal, February 4.<br>The New England Weekly Journal, February 18.<br>The Weekly Rehearsal, February 18.<br>The Boston Gazette, February 25.<br>The Weekly Rehearsal, March 4.<br>The New England Weekly Journal, March 11. | 1734<br>1734<br>1734<br>1734<br>1734<br>1734<br>1734 |



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|----|--|------|
|    | The Weekly Rehearsal, March 18.  | 1734 |
|    | The Weekly Rehearsal, March 25.  | 1734 |
|    | The Weekly Rehearsal, April 1.   | 1734 |
| 36 | The melancholy state of the province considered, etc.<br>14 pp. 6 by 4. A.A.S.   | 1736 |
| 37 | A letter to a member of the Hon. House, etc.<br>9 pp. 8 $\frac{1}{8}$ by 5 $\frac{1}{8}$ . A.A.S. B.P.L. H.C. L.C.<br>M.H.S.   | 1736 |
| 38 | A proposal to supply the trade with a medium, etc.<br>11 pp. 5 $\frac{3}{4}$ by 3 $\frac{5}{8}$ . B.A. B.P.L.  | 1737 |
| 39 | Some observations on the scheme projected for emitting<br>£60,000, etc.<br>25 pp. 7 $\frac{3}{4}$ by 4 $\frac{7}{8}$ . A.A.S. B.A. B.P.L. D. H.C.<br>J.C.B. L.C. M.H.S. N.Y.P.L. | 1738 |
| 40 | An essay concerning silver and paper currencies, etc.<br>23 pp. 7 $\frac{3}{4}$ by 4 $\frac{7}{8}$ . A.A.S. B.A. B.P.L. D. L.C.<br>M.H.S. N.Y.P.L.                               | 1738 |
| 41 | A scheme for a paper currency.<br>12 pp. 12 $\frac{1}{4}$ by 7 $\frac{3}{8}$ . J.C.B.  | 1739 |
| 42 | A discourse concerning the currencies, etc.<br>47 pp. 7 $\frac{5}{8}$ by 5 $\frac{1}{8}$ . A.A.S. B.A. B.P.L. D. H.C.<br>J.C.B. L.C. M.H.S. N.Y.P.L.                             | 1740 |
| 43 | A letter relating to a medium of trade, etc.<br>16 pp. 7 $\frac{5}{8}$ by 5 $\frac{3}{8}$ . A.A.S. B.A. B.P.L. H.C.<br>M.H.S.  | 1740 |
| 44 | A letter from a country gentleman at Boston, etc.<br>12 pp. 5 $\frac{3}{4}$ by 3 $\frac{5}{8}$ . A.A.S. B.A. B.P.L. L.C.   | 1740 |
| 45 | An inquiry into the nature and uses of money, etc.<br>78 pp. 7 $\frac{7}{8}$ by 4 $\frac{5}{8}$ . A.A.S. B.A. B.P.L. D. H.C.<br>J.C.B. L.C. N.Y.P.L.                             | 1740 |
| 46 | Postscript to a Discourse concerning the currencies,<br>etc.<br>14 pp. 7 $\frac{5}{8}$ by 5 $\frac{1}{8}$ . A.A.S. B.A. B.P.L. D.  | 1740 |

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- 47    A letter to — — —, merchant in London, etc.  
       14 pp.  $7\frac{5}{8}$  by  $5\frac{1}{8}$ .    A.A.S.    B.A.    B.P.L.    J.C.B.  
       M.H.S.    N.Y.P.L.

1741
- 48    A letter to the merchant in London to whom is directed, etc.  
       28 pp.  $7\frac{7}{8}$  by  $4\frac{5}{8}$ .    A.A.S.    B.A.    B.P.L.    L.C.  
       M.H.S.    N.Y.P.L.

1741
- 49    A second letter to — — —, merchant in London, etc.  
       16 pp.  $7\frac{1}{8}$  by  $4\frac{1}{8}$ .    B.P.L.

1741
- 50    Observations occasioned by reading a pamphlet, etc.  
       22 pp.  $7\frac{3}{8}$  by  $4\frac{1}{2}$ .    J.C.B.    L.C.

1741
- 51    An enquiry into the state of the bills of credit, etc.  
       52 pp.  $7\frac{5}{8}$  by  $5\frac{1}{8}$ .    B.A.    D.    J.C.B.    L.C.

1743
- 52    An account of the rise, progress, etc. of the two late schemes, etc.  
       91 pp.  $7\frac{1}{2}$  by 5.    H.C.    M.H.S.

1744
- 53    A letter from a gentleman in Boston, etc.  
       15 pp.  $7\frac{7}{8}$  by 6.    A.A.S.    M.H.S.    N.Y.P.L.    W.

1744
- 54    A word in season to all true lovers of their liberty, etc.  
       16 pp.  $6\frac{1}{4}$  by  $3\frac{7}{8}$ .    M.H.S.    W.

1748
- 55    A brief account of the rise, progress and present state of the paper currency, etc.  
       15 pp.  $7\frac{1}{8}$  by  $5\frac{1}{8}$ .    A.A.S.    B.A.    M.H.S.

1749
- 56    Some observations relating to the present circumstances of the province, etc.  
       20 pp.  $7\frac{5}{8}$  by  $5\frac{1}{8}$ .    A.A.S.    B.A.    B.P.L.    J.C.B.  
       M.H.S.    N.Y.P.L.

1750
- 57    Massachusetts in agony, etc.  
       19 pp.  $7\frac{7}{8}$  by  $4\frac{3}{4}$ .    L.C.    M.H.S.

1750
- 58    Appendix to Massachusetts in agony, etc.  
       19 pp.  $8\frac{1}{8}$  by  $6\frac{1}{8}$ .    A.A.S.    M.H.S.    N.Y.P.L.

1751

## ALPHABETICAL LIST OF PAMPHLETS

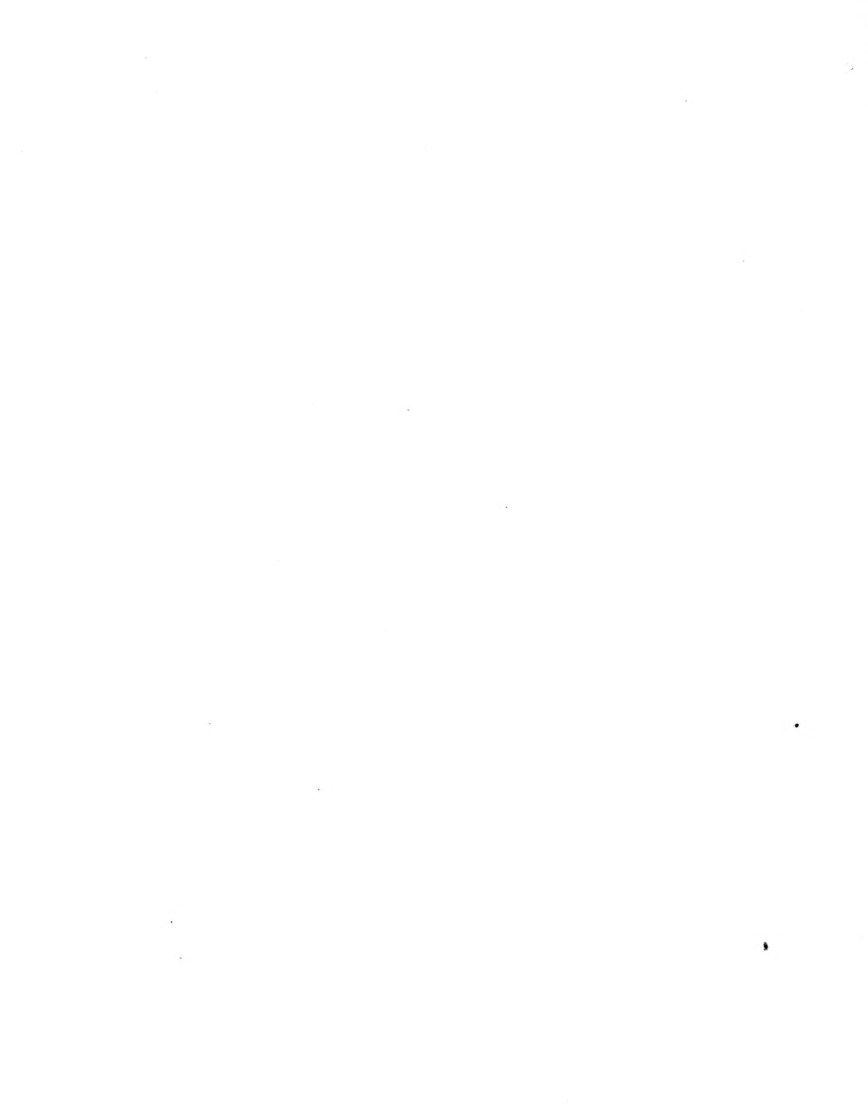
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8	Letter from one in Boston to his friend.	1714
15	Letter from one in the country.	1720
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25	Letter to an eminent clergyman.	1720
47	Letter to ——— merchant in London.	1741
48	Letter to the merchant in London to whom is directed.	1741
34	Lex et Libertas.	1732
57	Massachusetts in agony.	1750
36	Melancholy state of the province considered.	1736
3	Model for erecting a bank [London].	1688
6	Model for erecting a bank [Reprint 1688].	1714
31	Modest enquiry into the nature.	1729
33	Money the sinews of trade.	1731
23	New news from Robinson Crusoe's Island.	1720
7	Objections to the bank of credit.	1714
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19	Reflections on the present state of the province.	1720
22	Reflections upon reflections or more news.	1720
41	Scheme for a paper currency.	1739
49	Second letter to ———, merchant in London.	1741
30	Second part of South Sea stock.	1721
1	Severals relating to the Fund.	1682
5	Some additional considerations of the bills of credit.	1691
4	Some considerations of the bills of credit.	1691
11	Some considerations upon the several sorts of banks.	1716

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56	Some observations relating to the present circumstances of the province.	1750
21	Some proposals to benefit the province.	1720
32	Trade and commerce inculcated.	1731
9	Vindication of the bank of credit.	1714
18	Vindication of the remarks of one in the country.	1720
54	Word in season to all true lovers of their liberty.	1748
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## INTRODUCTION

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THE publication of this series of reprints calls for a preliminary explanation of what they are and a brief consideration of the monetary episode to which they relate. Practically, they might be described as tracts relating to the currency, deriving their origin in this country and belonging to the first half of the eighteenth century, but that would not be strictly accurate, since, to make the story complete, it has been thought best to go back to the establishment of the Fund in Boston in 1681 and to include the literature relating to that experiment as well as the publications which bear upon the attempt to establish a bank in Boston in 1686. Following this comes the contemporaneous discussion of the currency emitted by the colonial government in 1690 and 1691, of which we have scarcely a trace, but what there is necessarily commands great interest.

It is essential to bear in mind that when the first emission of colonial currency was made in 1690, the world was unfamiliar with the use of paper money. One or two specimens are known to exist of Chinese paper money of a much earlier date. We read in history of iron money, leather money, and of substitutes for coined silver and gold

which were made use of in times of war and are spoken of as siege money. The Chinese experience had no influence whatever upon the Occident, and the successes or the failures of the various attempts under emergent circumstances to make use of substitutes for coins composed of the precious metals had not made any mark upon the currency of the civilized world. Men depended for a circulating medium in the seventeenth century exclusively upon coin bearing governmental stamps, which practically certified their value in trade, when in perfect condition. The degradation of the coin then in circulation, through wear and through filing and sweating, was so great that in certain places banks of deposit were opened, where customers could place their gold and silver coins, whatever their condition, and receive in return an equivalent credit in terms of standard coinage for the bullion value of the metal. So great was the depreciation of the coins ordinarily in use at that time that bank credits, in the bank of Venice, were said to have been at twenty per cent. premium, — this premium being in effect merely the measure of the degradation of the coin in circulation. These credits are spoken of by contemporaneous writers as the paper of the bank, but it would seem as if they might better have been described as the paper of the customers of the bank. As the Bank of England was not established until four years after the first emission of currency by the colony, its influence and its example could only apply to affect transactions of a later date.

During the latter half of the seventeenth century there was much speculation among English-speaking people as to the means at hand to improve and increase the circulating medium. A number of pamphlets containing propo-

sitions for banks were promulgated, in which the general underlying idea was that by securing the deposit in bank of all the coin in circulation and by effecting trade settlements by means of bank credits, there would be a diminution of expense to merchants and an increased efficiency of the coin. Others proposed to get along without money by granting bank credits upon mortgages of lands or pledges of personal property and effecting settlements between individuals by transfers of bank credit. In New England there were a few who turned their attention to speculations of this sort. Governor John Winthrop of Connecticut, in 1663, submitted to the Royal Society a plan for a bank, the details of which are not known.

### THE FUND

In the spring of 1682 there was published in Boston an eight-page pamphlet which the author entitled "Severals relating to the Fund." Setting aside the perplexities caused by the verbiage of the period, this little pamphlet appears to be the description of the work accomplished by certain Boston merchants who, in the fall of 1681, had organized themselves into a company which they called "The Fund," for the purpose of adjusting between themselves their mutual accounts, by making use of what they termed "Fund Credit," instead of money. The author of the pamphlet, who was also the originator of the scheme, has been identified by the late J. Hammond Trumbull as the Reverend John Woodbridge of Newbury. Woodbridge had met William Potter, the author of "The Key of Wealth," in London, and in 1649 Potter had talked with him about his scheme for erecting a

bank which should furnish credit based upon security given in real or personal property, which credit might serve as a medium for adjusting accounts. In 1664, Woodbridge being in this country, the deplorable condition of affairs through lack of an adequate medium of exchange brought to his mind the theory suggested by Potter,—of a bank which should furnish a means of transacting business through its credits without the use of money. The discussion of this affair in 1667 attracted the attention of the council of the colony, and about that time Woodbridge prepared a "Proposal" for erecting a "Fund of Land," that is to say, a company which should give individuals credit on the security of mortgages on land, which credit could be passed if we accept the methods actually proposed for the "Fund," by "book entries," or "bills of exchange" and "change bills." He makes the statement that a similar proposal to the one then prepared was to be found on file in the records of the general court, from which we may infer that in 1667 or 1668 he submitted his scheme to the council. His proposition was that "Credit passed in Fund by Book and Bills will supply the defect of Money." He further states that March 30, 1671, the experiment of a Fund on this basis was actually made and was carried on in private for many months. Apparently, this experiment in private was sufficiently successful to induce a number of Boston merchants to make a similar experiment in the fall of 1681, the account of which in the spring of 1682 was given to the public under the title of "Severals relating to the Fund."

The pamphlet ends abruptly. The author on page four of his narrative had brought up the question of "A proposal for erecting a Fund of Land," etc. On page five, he had

followed the matter up with a "Secondly" in his division of the subject, but on page six he says, "The other two *Sections* of the *Proposal* must be pass'd to the *2d. sheet*, pag. 9. It being needful to make a Digression, to give an account of the publishing this undertaking sooner than intended." That is to say, he drops the portion of the subject which he is treating, and fills what is left of the eight pages with the digression, concluding the same at the bottom of page eight with a catchword for page nine. This catchword, "Thirdly," indicates an intention to resume the interrupted argument in the next sheet, as stated on page six. It may be that the pamphlet as originally issued was of greater length than eight pages, and its abrupt closure with a catchword taken by itself certainly justifies the inference that what has been preserved is only a part of a larger pamphlet. But, on the other hand, the sudden "digression" — in order to publish an account of the affair sooner than intended — the postponement of the discussion of the thirdly of the argument as to the proposal for erecting a Fund of Land to page nine, that is to say, to the second sheet, which could be independently printed, suggests the idea that the managers of the Fund were in a hurry to emit a prospectus of the concern, and that they cut short the prolixity of Mr. Woodbridge, meaning, perhaps, while they availed themselves for their immediate purpose, of the work which he has already done, to permit him at a later date to complete "Severals relating to the Fund" according to his original intention. Whatever the facts as to these eight pages may be, whether they are a fragment of a larger pamphlet, or whether they constitute a prospectus, improvised out of a part of a proposed pamphlet, the abrupt ending gives the

promise of a second sheet, containing perhaps eight pages more.

Mr. Trumbull, treating of the Fund, says in his "First essays at banking in New England" that "a bank of credit was established and began to issue bills in September 1681."<sup>1</sup> This statement is founded directly upon the language of the text of the pamphlet, but in view of the fact that no trace of this "bank of credit" had been disclosed in 1901, when the volume devoted to banking, in the work entitled, "Currency and Banking in the Province of the Massachusetts Bay," was published, the inference was drawn in that work that the bills or notes were perhaps based upon individual credit, a circumstance that would explain why they should have escaped the attention which notes based upon the credit of the company would naturally have attracted. The publication of the twelfth volume of "Suffolk Deeds" upset the basis upon which the objection to Mr. Trumbull's statement was founded. Here, in this volume, were half a dozen mortgages running to the Fund, between the dates of September 14, 1681, and February 22, 1683, inclusive, all of which were recorded in the Suffolk registry. A searcher, running hastily through the manuscript records of the registry might have overlooked the fact that the trustees to whom the mortgages ran represented a new banking experiment, but if he had by chance examined the Middlesex registry, he would have found there a marginal entry which should have put him on his guard. There, Thomas Danforth, the register, made the following notation against a mortgage to the Fund: "Jno. Starkie to the Fund. Hez. Usher & Adam Winthrop."

<sup>1</sup> Proceedings American Antiquarian Society, October, 1884, p. 275.



These revelations from the registries of deeds fully justify Mr. Trumbull's conclusions, but they do not relieve us from the necessity of examining the questions, What could Woodbridge have meant by the bills which he began to pass forth in September, 1681? Were those bills what we should call bank bills? If we run through "Severals relating to the Fund," we shall find that the author speaks of bills, bank bills, fund bills, change bills, bills of exchange, and pass bills. It is not, perhaps, necessary to seek a close definition of the author's meaning for all of these terms, provided we can select therefrom the one through which he meant to furnish a circulating medium to the public. He speaks in his Proposal of passing credit in the Fund by book entries, or bills of exchange for great payments, and change bills for running cash. Again, he says of the change bills, "they may be so contrived as to pass with facility, and without counterfeiting." It was the change bill, then, which was to serve this purpose.

It was apparently intended that at the outset the use of "Fund Credit" should be limited to "Fundors," as they are termed; this rule was, however, only to remain in force until other persons should see that it was to their interest to accept "Fund pay." In practice, the use of the change bill must have been very similar to the modern letter of credit. Those who accepted a portion of the credit in adjustment of an account noted on the bill the amount thus accepted precisely as a banker notes on a letter of credit the advance that he makes, and, in addition, just as the banker who makes his advance forwards his draft to the grantor of the letter of credit, so the acceptor of the Fund Credit was supposed to secure at the office of the Fund the

necessary transfer of the amount of credit accepted. While it is plain that in a place where there was a great scarcity of the circulating medium, even such a cumbersome system as this might be of some benefit, especially in a small provincial town, it is equally clear that the change bill was not what we should naturally think of, if the bald statement were made that bank bills were circulated in Boston in 1681.

#### BLACKWELL'S BANK

The convictions of the author of "Severals relating to the Fund" as to the result of the six months' trial of Fund Credit are set forth in his assertion that he "had rational Grounds to conclude that it would work itself up into Credit with discreet men." A much more satisfactory proof of the impression made upon Boston merchants by this experiment was the attempt which followed a short time thereafter to organize a Bank of Credit, which should issue bank bills of credit. These bills were to circulate among those who were satisfied with the security afforded by the company and confided in the credit of the persons who should put their signatures to them. Application was made to the council in the summer of 1686 for some sort of approval by the government of the organization which it was proposed to form. It will be borne in mind that this was two years after the annulment of the charter of the colony, and the affairs of the government were then being administered by a president and council. Andros had not yet arrived. Joseph Dudley, a Massachusetts man, was at the head of the government. The legislative records of that period are incomplete, but there is evidence that some time prior to July, 1686, Captain

John Blackwell, a man of speculative temperament who had drifted to Boston a short time before, submitted to the council for approval a scheme for the establishment of a bank of credit. This scheme was, on the third of July of that year, referred to a grand and standing committee composed of divers eminent and wealthy persons, merchants, and others for their consideration and report.<sup>1</sup> This committee afterward reported that the proposed bank would be "very useful and conduceable to the encouraging of trade, navigation, manufactures, planting and improving of lands and estates, increasing of his Majesty's revenues, facilitating the payment thereof, and of other debts, and removing the present greatest obstruction thereto." On the twenty-seventh of September, 1686, a draft of a concession or grant was submitted, in which the report of the committee was accepted and the opinion was expressed that the plan would tend to his Majesty's service if countenanced by authority. Moreover, the approbation of the council was avowed; the "countenance of his Majesty's authority, respect and assistance" was promised; and it was set forth that the government engaged "not to molest, hinder, or interrupt the said bank or managers thereof in any of their lawful doings therein according to the said constitution."<sup>2</sup> It was even proposed that the bills of the bank should be a legal tender. They were to "be esteemed as current moneys in all receipts and payments, as well as for his Majesty's Revenue, by the Treasurer and Receivers thereof as any other occasion for moneys whatsoever in common trade and dealings."<sup>3</sup>

This approval of the proposed scheme for a bank of issue

<sup>1</sup> Massachusetts Archives, Vol. 126, No. 104.

<sup>2</sup> *Ibid.*, No. 106.

<sup>3</sup> *Ibid.*

led to the organization of a company the purpose of which was to carry the scheme into effect; or at any rate, if the final steps in the process of organization were not then taken, all the preliminary work was accomplished. This is shown by fragments of the scheme to be found in the Massachusetts Archives, in which the names of certain proposed participants in the affair are designated by initials and other documents in which they are given in full. The names associated with the enterprise indicate that the most prominent men in the colony had been brought in to its support. Joseph Dudley, president of the council from May to December, 1686, and afterward a member of the council; William Stoughton, a member of the council; John Blackwell, the projector of the scheme, and Wait Winthrop, a member of the council, were designated as assessors, their function of office being somewhat similar to that which we impose upon directors of a company to-day, and in their hands was lodged the power to proceed with the work. The names of Simon Lynde, James Russell Isaac Addington, Elisha Hutchinson, John Saffin, Adam Winthrop, and Elisha Cooke are also to be found in these documents, and their presence indicates an endorsement of the scheme by the business men of Boston.

Although the papers in the archives bearing on this experiment are incomplete and some of them fragmentary, still enough remains to show that a singularly cumbrous and unwieldy organization was contemplated for the proposed company. There were to be assessors, in whom was lodged the ultimate control of the bank, and managers, who were to be subdivided into principal and deputy managers. There was to be a comptroller and a deputy

comptroller. There was to be a master, an assistant master, three trustees, and two treasurers. There was to be an accountant and his clerk, a secretary and his clerk, and provision was made for an agent at the court of England.

Preposterous as this elaborate organization may seem for a bank in a little provincial town, there is evidence that much was expected of it in the way of profit. A plan was promulgated for the division of the proposed profits into one hundred and twelve parts. The destination of one hundred of these parts was known. They were to be received by the various officers of the bank whose titles have been mentioned, but where the remaining twelve parts were ultimately to be distributed does not appear. They were to be paid to the assessors for friends to the bank. Who these were was not disclosed to the public. A correspondent of the period whose manuscript has been by chance preserved, referring to the subject, says, "I know not who."<sup>1</sup> Joseph Dudley writing in December, 1687, speaks of the destination of the reserved shares as though the matter was fully understood; but adds, "Further speech about the matter I judge not convenient until we get further advanced and have received your express direction to attend to a very good and large dividend of profit."<sup>2</sup>

The subtlety displayed by the promoter of this enterprise in thus securing the active interest of the members of the council and of the most prominent of the Boston merchants savors somewhat of modern methods. There was no reason why these gentlemen should not have participated in the expected profits, but there is a hint of what we should

<sup>1</sup> Massachusetts Archives, Vol. 129, No. 56.

<sup>2</sup> *Ibid.*, Vol. 59, No. 60.

call graft in the unwillingness to talk about the intended disposition of these unassigned shares in the profits.

### THE CHANGE BILL AND THE BANK BILL OF CREDIT

Doubts have been expressed as to whether the change bills of the Fund could properly be styled bank bills. Had the conception of the use of a credit in bank, at a distance from the counter, so changed in the intervening years between 1682 and 1686 that the promoter of the Bank of 1686,<sup>1</sup> when he speaks of emitting bank bills, means something essentially different from the change bills of the Fund? In seeking for an answer to this question we are at first met with the grave difficulty that none of the various papers relating to the bank contains a form of the note proposed to be issued. Precisely, however, as we were able to form an opinion as to the nature of change bill of the Fund through the directions as to its use given by Wood-

<sup>1</sup> There may be some doubt as to whether this Bank should be called the Bank of 1686 or of 1687. I called it the Bank of 1686 in "Currency and Banking in the Province of the Massachusetts Bay," but I am inclined to the opinion that the date of the organization, 1687, would really have been a better date than that of the authorization by the council, 1686. There is in the Massachusetts Archives (Vol. 126, Nos. 103-107), a document which recites that the council had referred Blackwell's proposal to a grand and standing committee, which committee had reported favorably and thereupon, on the 27th day of September, 1686, a draft of an order was presented to the council granting certain concessions, which were by the terms of the order authorized to be engrossed and the seals of the president and council

affixed in the usual manner of passing acts. It would appear by the records of the council that no action was taken at this time. The document was merely presented to the council for consideration (Proceedings Massachusetts Historical Society, Vol. XIII, Second Series, p. 272), but on the 9th of November, it was formally ordered that "our order in answer to Capt<sup>n</sup>. Blackwells petition be Passed under the Seal of the Government." (*Ibid.*, p. 277.)

A document in the Archives (Vol. 129, No. 55), refers to the Constitution of the Bank as of date of April 25, 1687. Another document dated Sept. 1, 1687 (*Ibid.*, Vol. 127, No. 67), refers to the rules of the bank in an indenture dated June 27, 1687. The bank was therefore organized in 1687.

For purposes of uniformity I adhere to my former notation.

bridge in "Severals relating to the Fund," so we may in the case of the proposed bank of 1686 turn to a document which was found in manuscript among the Winthrop Papers and which is entitled "A Discourse in explanation of the Bank of Credit, or an account of the model rules and benefits of The Bank of Credit lumbard, and exchange of moneys proposed to be erected in Boston And managed by persons in partnership, as other merchantly affayres. Published by the proposers. Anno 1687," for information relative to the conception of the founders as to the bank bills which they proposed to emit. It will be observed that the title-page of this document bears the announcement that the Discourse was "published by the proposers" in 1687. If, by publication, it was meant that the Discourse was actually printed, it is desirable to note that no copy of the printed pamphlet has been preserved. It is also a somewhat significant fact that the manuscript copy of the Discourse is in the handwriting of Captain John Blackwell, who was employed by the managers of the proposed bank to prepare such a document, and it is quite likely that this copy is the one for which in July, 1688, Blackwell demanded pay for "20<sup>s</sup> disburse to a Clerk for writing out the abstracts of the book intended to be printed, besides what I wrote with my own hands."<sup>1</sup> The Discourse was obviously emitted as a sort of prospectus for the proposed bank. The author says, "Bank bills of Credit will not only answer the ends of Gold and Silver moneys, but are Preferable to both." These "Bank bills of Credit, signed by severall persons of good Repute joyned together in a Partnership" are to receive currency through the agreement of "A considerable number of Persons, some

<sup>1</sup> Massachusetts Archives, Vol. 129, No. 63.

of each Trade, calling & condition to receive as ready Monys of and from each other and any Psons in their ordinary dealings." These "Bills, in a kinde of Circulation, through their experimented usefulness, become diffused by mutuall consent, passe from One hand to another, and so have (at least) equall advantages with the Current moneys of the Countrey." There can be no doubt that the writer of the above had some conception of supplanting, or at any rate supplementing the coin in circulation with bank bills.

How far had he proceeded in taking in the possibility of a complete denominational paper currency, which should represent the coinage of the mint? The discussion as to the merits of the bank, and the various illustrations given by the author of its advantages must lead to the conclusion that he did not propose to emit bills below 20<sup>s</sup>. in value. The "Countrey Chapman," to quote from his Discourse, receives Bank Bills "of severall values from 20<sup>s</sup>. and so upwards." The owner of mines is supplied with "Credit, for paying his workmen in any sum of 20<sup>s</sup> or above." These hints permit the conclusion that it was not intended to emit bills of a lower denomination than 20s., but it is quite clear that the idea of a denominational paper currency capable of being used in daily interchange in trade in place of the current coinage had, with the limitation that small notes were not contemplated, been evolved.

When, therefore, we read in Blackwell's letter of a claim for compensation for "framing of the rolling-press, etc., as afterward in using it for tryall of the plates and printing off some bills," we must conclude that plates were prepared for what were probably entitled to be called "Bank Bills," and that they were in denominations not less than 20s.



## CHARACTER OF DOCUMENTS GIVEN HEREIN

The question naturally arises whether the "Discourse," being only known to us in manuscript, is entitled to recognition in this series, which purports to be a set of reprints. It is true, we know it only as a manuscript document, and there is but little reason to believe that it was contemporaneously printed. The purpose of publishing these papers touching on the currency discussion of the period is to furnish our libraries with copies of certain rare tracts and newspaper communications, to examine the originals of all of which would demand that the student should travel from library to library, between half a dozen of our large cities in the East. The tracts selected for the purpose are topical, dealing exclusively with the attempts of individuals to furnish a medium of trade through the paper emissions of a bank or with matters connected with the struggles of the provincial government during the period when it was engaged in furnishing a paper currency to the people, and it is not contemplated to enter the field of unpublished documents. The Blackwell proposal, however, stands forth conspicuously marking an important point in the evolution of the conception of a paper currency. Moreover, it laid claim for support from the community upon the credit of the individuals who formed the company. It had no capital. The idea of a stock company had not been evolved, but there was a distinct improvement in the bank bills offered by Blackwell's proposed bank upon the credit offered by the Fund. The bills not only had the protection given by the security held by the bank, but they had behind them also a company "managed in partnership, by private hands, persons of

known integrity, prudence and estates, all whom will become thereby lyable to answer the injury, damage or Losse to any, of their undertaking." The several attempts made during the first half of the eighteenth century by the colonists to organize companies or banks, which should furnish for general circulation a paper currency similar to the bills of public credit, may be divided into two classes, those which were founded like the "Fund Credit" upon whatever security was lodged in the company, and those which, like Blackwell's proposed bank, added thereto the responsibility of the individual merchants who had charge of the affair. Even if we were certain that the statement "published by the Proposers Anno 1687" was an error, we might perhaps feel compelled to include this important document in our series as one which was evidently prepared for the press.

#### AN ALTERED PAMPHLET

In July, 1688, Blackwell wrote that the scheme had been abandoned. It was in 1688, also, that there appeared a pamphlet, bearing a London imprint, entitled "A Model for Erecting a Bank of Credit, with a Discourse in Explanation thereof: Adapted to the Use of any Trading Country, where there is a Scarcity of Moneys, More especially for his Majesties Plantations in America." The appearance of this pamphlet apparently had to do with the suppression of Blackwell's project. There are three copies of the "Model," etc., of London, 1688, known to have been preserved,—two in Boston and one in the British Museum. The original pamphlet was thirty pages in length. The suggested

model for a bank was in substance the same as that of Blackwell's bank, the language used in the pamphlet and the document being so nearly identical as to disclose a common origin for both, although the arrangement of the order of the material in the two was somewhat different. There is, however, in each of the existing copies of the pamphlet a supplement eight pages in length, entitled "A Supplement or Appendix to the Treatise Entitled A Model for Erecting a Bank of Credit &c. or An Account of Some of the Many Prejudices, that will Inevitably ensue, as well to His Majesty as to his Subjects, by enhancing the value of Spanish Coyne &c. above his Majesties, Together with the most probable means for Preventing thereof, without damage to any, viz." This supplement was printed on paper of a lighter tint than that found in the body of the pamphlet; the type used was defective and much worn; and the press work was inferior in quality. The natural inference is that the original pamphlet was printed in London and that the supplement was added in Boston. Quite recently it was discovered that certain leaves which apparently came from copies of this pamphlet had been used by binders of that time as fly-leaves. A close examination of the several copies of the pamphlet in existence showed that in each of them, pages seven and eight and pages thirteen and fourteen were inserts, printed on paper of the same quality and with type corresponding in all respects with that used in the supplement. Comparison with a reprint of the "Model," etc., in 1714 showed that the changes made in these insert leaves were of minor importance, especially when one considers that the Model was a mere proposition for a bank, the working plan of which could be altered at will, but the discussion in the

supplement points very clearly to the fact that this must have been added to the pamphlet by some person in close touch with Andros. The governor had arrived in Massachusetts in December, 1686, and in the spring of 1687, after prolonged consideration, had issued an order which was closely connected with the matter discussed in the inserted supplement, although not in agreement with its doctrines, to the effect that "the p'sent New Engl<sup>d</sup> mony do passe for value as formerly."

It is obvious from the few records of the period that have been preserved that Andros was opposed to the recognition of the New England coinage, involved in the above order. He probably found that the customs of the country were too strong for him. The policy of the English had been to keep their own sterling money at home, and to compel the colonies to rely upon Spanish silver and Portuguese gold. The selection of the basis on which the coinage of the Massachusetts Mint was founded was in full sympathy with the policy which sought to avoid dependence there upon sterling money, but it was also thought that by converting the foreign coins into a local coinage the new coins would remain in the country. The Massachusetts Mint had then been closed for some years, and had there been any sterling money in circulation, Andros might perhaps have forced its use as a measure of value, but when it came to regulating the value at which foreign coins should circulate, he was compelled to recognize the New England coinage for this purpose. This was practically "enhancing the value of Spanish Coyne etc. above his Majesties," since the nominal value of these coins was larger when stated in Massachusetts shillings than it was in sterling, and the supplement in setting forth the

prejudices that would inevitably ensue from this was working along the lines of Andros's desires. Simultaneously with the appearance of this pamphlet, Blackwell's scheme was abandoned.

If there were some doubts as to the propriety of including in this series of reprints the "Discourse," etc., which was prepared as a prospectus for Blackwell's proposed bank, but perhaps not then printed, there certainly can be no other conclusion than that the "Model," etc., printed in London in 1688, but carrying the two inserts and the eight-page supplement of Boston origin, is of sufficient interest to entitle it to reproduction here, notwithstanding the London imprint.

In 1902, in the publication entitled "Tracts relating to the Currency of the Massachusetts Bay 1682-1720," this pamphlet was not included. The fact that at a later period, that is to say, in 1714, what purports to be a reprint was published in Boston — thus compelling its reproduction — seemed to relieve the compiler from the necessity of any consideration of the original. The comparison of the original and the reprint then made, while it showed that for several pages the two were identical, was carried far enough to establish differences of press composition in the two editions, but not far enough to disclose the inserts and the supplement. The objection that much of the matter in the original will be duplicated in the republication of the later pamphlet is of no force with us in this series. In fact, the tracing of the use from time to time of this model by the various men of speculative temperament who were seeking to establish in the province private banks of issue, is in itself a matter of interest to the student, and now that

we can inferentially connect the "Model" in the form in which it is to be found to-day with the proposed experiment of 1686, we are compelled to reprint the pamphlet in its place in chronological sequence.

Governor Hutchinson refers in his History of Massachusetts to a pamphlet containing a project for a private bank,<sup>1</sup> which he says was published in London in 1684. It is quite reasonable to suppose that he had in mind the publication which bears the date 1688 upon its imprint. In commenting upon the probability that there was in fact but one of these pamphlets, I stated in "Currency and Banking in the Province of the Massachusetts Bay, Vol. II. Banking," that the identity of the language used in the scheme found in the Massachusetts Archives with that used in the pamphlet of 1688 showed that a copy of the publication must have been in the hands of the framers of the scheme. Perhaps a sounder conclusion would have been that the manuscript from which the pamphlet was printed in London in 1688, or a duplicate copy of it was in 1686 in the hands of Blackwell and his associates. The suggestion was made by me in "Was it Andros?" that the presence of this scheme in the Winthrop Papers justifies the suggestion that it might have been modelled upon the one which was prepared by Governor Winthrop of Connecticut in 1663. It is not probable that any person could in 1663 have conceived of a denominational paper money which should serve the purpose of a circulating medium. It follows, therefore, that it is not probable that we have

<sup>1</sup> Another party was very numerous. These had projected a private bank, or rather had taken up a project published in London, in the year 1684. (History of Massachusetts, Vol. II, p. 188.)

before us Governor Winthrop's plan in the form in which it was submitted to the Royal Society, but it is quite possible that from that scheme was worked out the "Discourse," etc., of Blackwell in 1686, which in substantially the same form appeared in London as the "Model," etc., in 1688.

#### COLONY BILLS OF PUBLIC CREDIT

Following the abortive attempt in 1686 to organize a private bank which should emit bills which might pass current as money came the emission, in December, 1690, of bills of public credit by the provisional government which assumed control of affairs after the arrest of Andros and the overthrow of his régime. The circumstances under which this emission took place were briefly as follows: A military and naval expedition had been organized for the purpose of capturing Quebec. That place was known at that time to be but feebly garrisoned, and if after the evolution of the plan of capture the expedition could have been promptly despatched, the success of the enterprise would have been assured. As it was, however, there was so much delay in starting that news of the contemplated invasion reached Quebec and Montreal, and reinforcements were despatched to Quebec. This was made possible by the failure of a coöperating land expedition to threaten Montreal, as was agreed, at the same time that Phips attacked Quebec. The troops of Frontenac, being thus released from service at Montreal were hurried to Quebec. Moreover, the delays so shortened the period during which the fleet could operate that when failure came the time was near at hand when the colonial fleet could no longer remain in the St. Lawrence

without fear of being frozen in. The effectiveness of the force, now that it was brought face to face with a problem far greater than had been originally contemplated, was still further reduced by this fact. The total failure of the expedition itself and the inability of reinforcements reaching the troops before it would be necessary for them to get out of the St. Lawrence, if they were to get out at all that winter, sent the expedition back to Boston and brought the government in immediate contact with the great responsibilities which they had assumed. Not a pound of the supplies furnished the expedition had been paid for. No provision whatever had been made for the adjustment of the charters of the vessels which transported the sailors and soldiers to Quebec. The salaries of the officers and men were still to be provided for. The raid had been planned and carried out in the confident expectation that the fleet would bring back from Quebec plunder which would be adequate to meet the greater part if not all of these expenses.

Hutchinson says, "The government were utterly unprepared for the return of the forces. They seem to have presumed not only upon success, but upon the enemy's treasure to bear the charge of the expedition. The soldiers were upon the point of mutiny for want of their wages. It was utterly impracticable to raise in a few days such a sum of money as would be necessary."<sup>1</sup>

Very shortly before the return of Sir William Phips bearing the news of his disastrous failure, an attempt was made by the government to secure a loan of "three or four thousand pounds," for the purpose of paying off the seamen and soldiers of the expedition and for other emergencies of the

<sup>1</sup> History of Massachusetts, Vol. I, p. 356.



public credit. It was proposed to pledge as security for the loan "half the publique Rates now agreed to be made & Levied, and the Country's part of all such Plunder as they shall recover from the Enemy at Canada &ra and bring home with them." The government then in existence was but a *de facto* government, the several officers having been originally elected under the charter which had been subsequently annulled. They had resumed office when Andros was deposed, and while it may possibly be that the government had some credit among the Boston merchants, it must clearly have been at a disadvantage in appealing to them as a heavy borrower. Whatever the causes were which prevented the consummation of the loan, the plans of the committee having the matter in charge were upset by the arrival of Sir William Phips with his story of dismal failure. There was not only no plunder to meet the expenses of the expedition, but there were losses to be added to those obligations of the colony which were already known and recognized. Phips arrived in Boston on the nineteenth of November, and at the session of the Court which was sitting by adjournment December 10, the proposed remedy for the disastrous situation was submitted. Notwithstanding the poverty and calamities of the country, and in spite of the scarcity of money and the want of an adequate measure of commerce, the colony announced that it was willing to settle and adjust its debts and to pay the same with what speed the same could be done. As a means of accomplishing this it was proposed to grant forth printed bills in an agreed form, none to be under five shillings and no one bill to be larger than five pounds, to creditors willing to accept them in settlement of their debts. Such bills were to be in value equal to money

and were to be so received by the treasurer and his subordinates in all public payments. Any person having any of the bills in his hands might present them to the treasurer at any time and receive in exchange the full sum of their expressed value, in money, or in other public stock at its money value. Notwithstanding the fact that it was known that the impending obligations of the government were recognized as being nearly £40,000, the proposition to emit bills enough to care for these liabilities was hampered in execution by limiting the amount of the original emission to £7000.

The agreed form of the bill was in effect a certificate that the denominational amount for which it was issued was due from the colony to the possessor of the bill, and that the bill itself was in value equal to money, and would be so received by the treasurer and his subordinates in all public payments and for any stock at any time in the treasury. This bill was practically well adapted for its purpose, and the form was continuously used without change up to the time of the adoption of the new-tenor form of 1737.

#### CANADIAN CARD MONEY

It would be extremely interesting to lay open the process of evolution through which the form of the colony bill was developed, but at present at least we can only indulge in conjecture. We have seen that the language used in the scheme of the Bank of 1686 compels the belief that the projectors of that scheme had in mind some form of note or bill for circulation as money. Curiously enough, in 1685,

an experiment was made at Quebec by the Intendant then in office, the local success of which led to the adoption of what is known in Canadian history as card money. Parkman says in the *Old Regime* that Meules, the Intendant, being short of money, cut some playing cards into four parts, marked them with denominational values, and put them in circulation. A copy of the letter of Meules to the Minister, dated September 24, 1685, in which he describes his original experiment, is to be found in the Parkman manuscripts, at the rooms of the Massachusetts Historical Society. Meules states that for eight months he was without remittances from Paris. During this time he exhausted not only his own resources but also those of his friends, until finally, being at his wit's end for the means of paying the wages of his men and providing for their support, it occurred to him to give currency to card bills in lieu of silver money. "Je me suis imaginé," he says, "de donner cours, au lieu d'argent, a des billets de Cartes que j'avais fait couper en quatre, je vous envoie, Monseigneur des trois espèces, l'une estait de quatre francs; l'autre de quarante sols, et la troisieme de quinze sols, parce que avec ces trois espèces je pouvais faire leur solde juste d'un mois." He then goes on to say that he issued an order to the habitants to receive this money in payment and to give it currency, obliging himself to redeem it. The experiment was successful and effected temporary relief. Moreover, he was able to state later on that with money received from France he had redeemed the outstanding cards. This was the origin of the Canadian card money. The success of the temporary expedient then resorted to led to the adoption of the same method whenever it became necessary to supply

the local government with resources. The playing cards gave place to plain cards bearing the signatures of the governor and intendant; the countersign of a clerk; a denominational value; a year date, and stamps of the arms of France and Navarre, and in this form these card tokens freely circulated as money.

It will be observed that Meules's temporary expedient was put in force before the Bank of 1686 was organized. Was it possible that some knowledge of what was going on at Quebec found its way to Boston at that time? If so, did its influence reach Blackwell when he was at work on his proposed bank? Or, again, did the Phips expedition bring back with it to Boston, in place of the expected plunder, some hint of the great possibilities of a paper currency, gathered from the card money evolved by Intendant Meules? These suggestions must naturally occur to one who compares the date of the Quebec experiment with the date of Blackwell's proposed bank and with that of the original emission of colonial currency, but it may be confidently asserted that the first of these conjectures was almost impossible, and if that be so, the second is of little consequence since the emission of paper money was involved in the Bank of 1686, although it will be seen later on that the Canadian experience furnished arguments to controversialists.

#### AMOUNT OF COLONY BILLS EMITTED

In February, 1691, it was frankly acknowledged that the seven thousand pounds of bills of credit which were authorized to be issued by the colonial government of Massachusetts Bay fell "far short of what is absolutely necessary." All

restraints were then thrown down and the committee having charge of the adjustment of the debts incurred on account of the Quebec expedition was authorized to settle all properly certified claims with bills of credit, no one of which was to be issued for a sum less than two shillings, nor were any to be for a greater sum than ten pounds. These bills were put upon the same basis as the former emission, but to encourage their circulation the treasurer was instructed to give credit for five per cent. above the denominational value on all payments made to him in bills of public credit. On the twenty-first of May, 1691, a limit of £40,000 was set for the emission of these bills, it being stated in the order imposing this limit that this amount would be enough for the adjustment of the debts incurred by the colony. Provision was made for calling in this £40,000 by taxes in the years 1692 and 1693 and the provincial government which came in power in 1692, had, in consequence, under its control £40,000 of these bills, the use of which as currency was continued until their condition became such that it was imperative to provide new bills. Such of these bills as were employed in this way by the province bore the endorsement of the province treasurer on the back of the bill. In 1702, when, in consequence of the dilapidation of the bills in circulation, it became necessary either to abandon bills of credit or emit new bills, it was contemplated at first to print a supply from the old plates, and thus continue the use of the colony bills in this manner. This proposition was, however, soon abandoned. A new set of plates was prepared in which the word "Province" took the place of the word "Colony," and the old bills were thereafter designated as "Colony" or "Old Charter" bills.

## SOME CONSIDERATIONS ON THE BILLS OF CREDIT, ETC.

The five per cent. allowance made by the government on payments made in those bills is sufficient indication of the hesitation of the public to adopt them as the medium of trade, but we have other evidence of the reluctance of the people to receive them in place of the silver to which they had been accustomed. There were two brief pamphlets published in 1691, with continuous pagination, the two together covering only twenty-three pages. Their mutual purpose was to convince the public of the value of the bills as a circulating medium, and of the great discredit to the people of the colony, that the soldiers and sailors of the Quebec expedition should be paid in a currency which, through the alleged delinquency of the people, was permitted to circulate at a discount. The first of these pamphlets was entitled, "Some considerations on the bills of credit now passing in New England, addressed unto the worshipful John Philips, Esq. etc." The second bore the title, "Some additional considerations addressed unto the worshipful Elisha Hutchinson, Esq. by a gentleman that had not seen the foregoing letter." With all the differences of the styles of the two writers there is a curious similarity in their appeals to the public to support the bills of credit.

The author of "Some considerations," etc., asserts that individual credits had been made use of as currency, and asks if the credit of the government is not better. "'Tis strange," he says, "that one Gentlemans Bills at *Port-Royal* for divers years, and that among Forreigners; or another Gentlemans *Bills* in the Western Parts for as many or more years should

gain so much Credit as to be current pay among the Traders in those places; yea, that the Bill (as I have heard) of any *one Magistrate* in the *Western English Plantation*, shall buy any Commodities of any of the Planters; and yet our people (in this pure air) be so sottish as to deny Credit to the Government, when 'tis of their own *Chusing*," etc.

He alludes to the discount at which the bills passed current in the following terms: "There is indeed a way found out by the poor mens Necessities to make the Bills passant: namely by *Selling* them at *Under-rates*. Thus the poor *Soldier* is horribly *injured*, who have adventured their Lives in the publick Service, and the *Government* made *contemptible* as not worthy to be trusted."

He compares the facility with which the French authorities at Canada secured the circulation of their card money with the reluctance encountered by the colonial government in Massachusetts when they undertook to do the same thing, and stamps this hesitation as showing the intellectual inferiority of the New England people to the French. His words are "The *French* (I hear) at *Canada* pass such Paper mony without the least scruple; whereby the Government is greatly Fortified, since they can at all times make what they need. Now if we account ourselves to Transcend the *French* in *Courage* 'Tis a shame for us to come so far short of them in *Wit* and *Understanding*." He refers to the provisional character of the then existing government when he describes it in the paragraph first above quoted, as "one of their own *Chusing*."

The author of "Some additional considerations," etc., distinctly recognizes the financial disability imposed upon the government by its origin. "If any plead," he says, "we

have no *Government*, and so have no power to *raise money*; pray let them call to mind that all the *subsidies* now raised in *England* are by an Assembly chosen by the Corporation no otherwise restored than ours." Referring to the circulation of private bills, he says, "How many Credible Merchants are there, whose *Bills* do Pass as *ready money*, with hundreds of People with whom they have had no immediate Concernment? And shall not the Government of this Colony have much Credit with a people that *choose* all, and *make* part of it?" He attacks those who "*Squeeze* the first Receivers of these Bills, by forcing them to abate of their just value." For such to take advantage of the five per cent. allowance at the treasury "is a crying *opresion*" which he would remedy by advancing "the Rates of such people to procure a Reparation to them that have been wronged. It will speak ill for New-England, that poor *Soldiers* and *Seamen* should be *cheated* by any of the Inhabitants, and no *Restraint* put upon them, no *Redress* required where it may be done." "It is a common thing," he says, "for the government at *Quebeck* to pay their men in such ways, & the Inhabitants there are not so dishonest as to cheat the needy persons to whom the *Bills* were first given, of half the worth of them." It will be seen from these quotations that both writers refer to the circulation of notes of private individuals; to the somewhat doubtful standing of the government as a borrowing power; to the discount at which the notes circulated; and to the facility with which the Intendant at Quebec floated his card money.

The reluctance of the people to receive the bills was soon overcome, and the discount of which the writers complained disappeared. Doubtless the ultimate credit of



the bills was more firmly based upon the fact that provision was made for their prompt retirement, than upon arguments or appeals from patriots. Moreover, the five per cent. allowance made by the government must have had influence at first. The necessity for this soon ceased, and the bills circulated freely at par, but the province was not able to get rid of this allowance until 1720.

#### THE PROVINCE BILLS AND THE FUNDS FOR CALLING THEM IN

The experience of the colony in 1691, in relieving itself through the agency of the bills of public credit from a financial emergency of such magnitude, and the advantage taken by the province of the colony bills in the treasury, to meet current expenses with them, passing on to a future year the taxation which should provide for their recall to the treasury, soon brought to the appreciation of the assembly the fact that all current expenses could be met by the emission of bills of public credit. True, the recall of those bills had to be provided for in the future, but at any rate a postponement of taxation could be secured and the province could be permanently relieved from the payment of its debts, to the extent of the amount of bills that could be kept in circulation. It became, therefore, the practice to meet all public payments by emissions by the province of bills of public credit, and accompanying each emission was a pledge of the government that the bills then emitted should be called in by taxation at a specified future date. These pledges that the bills should be thus called in were termed "Funds," and the bills thus emitted were supposed to be secured by the

Tax Fund established, or perhaps it would be better to say promised, at the date of emission. At first these Funds were provided in the near future, but as time went on the designated tax levies through which the bills should be returned to the treasury were set further ahead. By 1714 the income from the province from taxation was pledged, either wholly or in part, for six years, so that the issue then made was not to be called in by taxation until 1720. The process of postponing the day when the tax should be levied had been gradual and progressive. The tax through which the bills emitted in 1702 were to be called in was ordered to be laid in 1703. In 1704, the retirement of a part of the issue was carried forward to two years. In 1707, the time was lengthened to three years. In 1709, a part of the issues was not to be provided for until five years. In 1711, the limit reached six years. In this manner the dates for levying the taxes which were to retire the bills were from time to time set at a further date ahead, until 1722, when this evil habit reached its maximum development and there was an emission for which no provision was to be made until the tax levy thirteen years thereafter. Then for a time strenuous efforts were made to curtail the periods of the Funds, but the tendency towards their prolongation continued to betray itself.

#### NEW ENGLAND COINAGE

The English mint price for silver at this period was 5s. 2*d.* per ounce. This quotation is in sterling. At that time nearly every American colony had a shilling of its own. The New England shilling, six to a dollar, is fresh in

the memory of living men.<sup>1</sup> The New York shilling, eight to a dollar, was in general use down to the time of the Civil War. In 1704, Queen Anne issued a proclamation by means of which she sought to make uniform the currencies of the different colonies. The piece of eight, if of  $17\frac{1}{2}$  dwt., was to pass in all the colonies at 6s. This was based upon the New England coinage. The situation in Massachusetts was at this time complicated by the action of the assembly in enacting that the piece of eight, weighing 17 dwt., should pass current for 6s., the term lawful money being applied to the currency based upon this valuation, while the nominal measure of values based upon the valuation of 6s. for the piece of eight of  $17\frac{1}{2}$  dwt. was termed proclamation money. The ounce of silver being worth 5s. 2d. in sterling, the corresponding value in the coinage of the Massachusetts Mint was very nearly 7s. Roughly speaking, it will do to say that it was 7s., although all the provincial legislation of the period was framed upon the theory that the proper quotation for silver in New England money was 6s. 8d. an ounce. The knowledge of these facts is not essential, perhaps, for the understanding of an abridged review of the currency episode of that period, but it is of importance to bear in mind that the pounds, shillings, and pence in use in New England at that time were those of the New England coinage. To convert values expressed in New England currency into sterling, the number of shillings should be reduced 25 per cent. To convert

<sup>1</sup> I mean by this that there are men living who remember when ordinary tradesmen still made use of this currency in quoting prices. My attention has been called to the fact that in the

sheets issued by the Boston News Bureau we find to-day such a statement as the following: New York funds sold at a shilling discount for cash.

sterling into New England currency, the number of shillings should be increased 33 per cent. This adoption of a lower value for the shilling than sterling was effected by the Massachusetts legislators in the belief that a coinage on this basis must stay in the colony. While this purpose was not accomplished, since the New England coins were exported at their bullion value, still it did revolutionize the measure of values in the New England colonies, and for this purpose entirely supplanted sterling money.

#### SILVER DISAPPEARS

There was in circulation in New England, when the paper money was launched, an amount of silver which has been estimated at £200,000. That this estimate was approximately correct is shown by the ease with which about fifty years later specie payments were resumed with about £234,000 in coin. By 1714, the amount of bills of public credit which had been emitted and still remained in circulation was estimated by Paul Dudley at £240,000, and these bills constituted the circulating medium of the province, the silver itself having nearly all disappeared from circulation. The recognition of the decrease of the silver then in circulation may be traced to a second expedition, in 1711, against Quebec. This was organized under General Hill and Admiral Walker, English officers, and met with a second failure. The expenses of this expedition were settled by sterling drafts on London, but to enable the Boston merchants to carry these drafts until they should be paid, £50,000 in bills of public credit were emitted, and

loaned to the merchants, on time, with interest. The effects of this emission are stated by a contemporary writer to have been "that silver began to be hoarded by some, and exported by others in large quantities and the bills became the only measure and instrument by which all private trade and doings were regulated and managed." The price of silver under the influence of the hoarding and exportation had risen from 7s. to 9s. per ounce, an advance of nearly 30 per cent. If this rise was caused exclusively by the increase of the circulating medium, it would seem to have been abnormally high. We must, however, give credit to the influence of the bills of public credit of the other New England colonies which freely circulated at that time side by side with the Massachusetts bills on a par with them, notwithstanding the advantage possessed by the latter in their recently acquired legal tender function, and in the attribute which they possessed of being receivable by the treasurer for all payments to the government. We have no means of estimating the contributory effect of these outside bills on the price of silver, but the fact that they circulated freely in Massachusetts is vouched for by contemporary writers, and to the extent that they swelled the amount of currency in circulation, they must have affected prices.

The depreciation of the currency which can, perhaps, be best measured in the increasing price of the ounce of silver, had by 1714, reached such a point that the decreased purchasing power of the bills of credit and the impending withdrawal of large sums from circulation through the payments to the government of the loan to the Boston merchants, produced an impression on the public of there being a

shortage in the circulating medium, and from all sides there arose a demand for relief through the emission of more bills. There was a difference of opinion as to how this should be done, and Boston was divided into two factions, the one favoring the establishment of a bank of credit, similar to the proposed bank of 1686, and the other contending that it was the function of the government to furnish the circulating medium. In order to bring it within the power of the government to do this, there being no outstanding obligations to settle, it was proposed that an emission of bills of public credit should be made which should be loaned at interest to the inhabitants of the province.

#### THE PUBLIC BANK AND THE PRIVATE BANK

The originators of the scheme to relieve the province from what was termed "a sensible decay of Trade within His Majesties Plantations in New-England, for want of a Medium of Exchange, wherewith to carry on the same; the Running Cash being Exported, and considerable Sums of the Bills of Credit put forth by the Government, which had their Circulation and supported the Trade being already drawn in," etc., would appear to have been the projectors of a bank of credit to be managed by private citizens. The proposition to loan bills of public credit to the inhabitants of the province, this being what was then termed the public bank, was evidently an after-thought which was originated solely for the purpose of defeating the promoters of the private bank of credit. As the disputants lined up on the one side or the other of the question, they became known as advocates

of the public bank or the private bank, as the case might be, and the conflict which raged among the people was transferred to the assembly, was taken up by the press, and finally found refuge among the pamphleteers.

The advocates of the private bank introduced the subject by reprinting "A Model for erecting a bank of credit with a discourse in explanation thereof," which was originally published in London in 1688. To the statement which appeared on the title page, "*London* Printed in the Year, 1688" was added in the new title page, "Reprinted at *Boston* in *New-England* in the Year, 1714." The pamphlet was an exact reproduction of the original, having the same pagination, the same catch words at the bottom of the page, and with page after page in which there was no variation of the words composing the several lines. The type was either from the same font as that from which the original was composed, or it was cast from the same pattern. Close scrutiny can detect minor changes in the press composition, but at first glance one would be inclined to say that the so-called reprint was, in fact, the original. Such, however, was not the case. The pamphlet was simply a faithful reproduction of the original, thus affording opportunity for comparison with the altered pages in the copies of the 1688 edition which have been preserved, and for ascertaining exactly what the changes were which had, in 1688, taken place in the inserted pages. The reprint did not contain the eight-page supplement added to the edition published in 1688, and it was further differentiated by the addition of a brief "Preface to the Reader," dated "Boston, Feb. 26, 171 $\frac{3}{4}$ ," setting forth the purpose of the publication. It was evident that this edition of the

pamphlet was issued, not with intention of presenting the exact form of the bank proposed to be organized, but simply to show in a general way the utility of banks of that sort.

It appears from the several accounts of what then took place, that certain Boston merchants, after discussing what they termed "the Difficulties that Trade laboured under, for want of a Medium of Exchange, the Silver being sent Home for *England*, and the Bills of Credit on the several Provinces daily Called in by the Funds," concluded to call together their friends and hold a general consultation as to the remedy for the situation. Several meetings were held. Written opinions as to the evil and the possible remedies were submitted, and finally it was agreed that under the countenance of the government, they would organize what they termed "a Land Security, as a Fund for Bills and Notes to be circulated." An advertisement was put in the News Letter of the first of February which was repeated on the eighth of the same month, announcing that a committee would be in attendance at the Exchange Tavern on certain days to receive subscriptions to the project, with a view of presenting the same to the assembly for approval and encouragement. It was hoped at this stage of the proceedings that they might receive from the government the necessary powers to carry on the affair with safety to themselves and to the possessors of their bills and notes. Some of them called upon the governor and were led to suppose that he was not opposed to the scheme and further that he thought that it was not practicable for the province to lend bills of public credit at interest. Thus encouraged they submitted a scheme to the general court at the February session,



1713-14. The opposition to granting any powers to private persons to emit bills or notes to circulate as money led to the open advocacy of the emission on the part of the government itself of bills of public credit to be let out at interest to the inhabitants of the province, and Paul Dudley, the son of the governor, who was the attorney general, took upon himself the task of opposing the scheme for a private bank, and submitted a memorial on the subject to the council on which action was taken August 20, 1714. The council then prohibited the projectors of the bank from printing their scheme; from making it public; and from emitting any notes or bills until they should have submitted their propositions to the assembly. The order of the council forbidding the projectors of the scheme for a bank from proceeding further with it until they should have submitted it to the assembly did not deter the projectors from the exercise of what they conceived to be their rights as private citizens. If they could not secure the approval of the government, they could at any rate go ahead as individuals in partnership. They, therefore, announced in the News Letter of August 23, 1714, that subscriptions would be received at the Sun Tavern during August and September for the purpose of completing the partnership.

At the October session of the general court a copy of the scheme was submitted to the governor and another to the house of representatives. During the progress of these events the discussion had disclosed several weak points in the proposed bank which in the matured plan then submitted were so altered as to cover the objections made by their opponents.

## A PROJECTION FOR ERECTING A BANK OF CREDIT

The plan for a bank which was finally adopted was printed shortly thereafter. The "Projection for erecting a bank of credit," as it was termed, bears date on its title page 1714, but apparently it was not made public until the latter part of that year or early in 1715. An abstract of its contents is desirable at this point, but the full title will be found in proper chronological sequence.

The pamphlet opened with a preamble to the effect that there was a shortage in the circulating medium in New England and that there was no relief apparently to be obtained except through the agency of a bank of credit upon land security.

Subscriptions to the extent of £300,000 were to be received. Each subscriber was to make over to the bank real estate to the value of his subscription, to be held as security for bills to be emitted by the bank, the amount of such emissions being limited to the amount of the subscriptions. Subscribers were to take out and keep for two years at least one quarter part of these subscriptions, and they agreed to give credit to the bills of the bank. Any outsider might borrow from the bank on furnishing security in the same way as the original subscribers. The rate of interest to be adopted by the bank in its transactions was five per cent., and prudent restraints were imposed upon the relation of the amounts to be loaned to the value of the property.

The bank was spoken of in this instrument as a partnership, and the general management of its affairs was to be entrusted to seven directors, while the execution of the

fiduciary acts which might arise in the performance of the daily business of the bank devolved upon seven trustees whose actions were under control of the directors. The term of services of the directors was one year, and provision was made for an annual meeting of the company. There was to be a president, a treasurer, a head clerk, and an under clerk. Provision was made for the transfer of credit taken out by subscribers in case such transfer was desired.

The bill which it was proposed to emit was based upon the form in use by the province and was a mere certificate that the same would be accepted by the partners of the Bank of Credit of Boston in New England in lieu of so many shillings; and further, that it would be so accepted in business transactions at the office of the bank.

A bid for public favor was made in the offer of certain gifts for public uses to be made out of the profits of the bank, provided they were adequate for the purpose. Four hundred pounds per annum were promised for a charity school in Boston, provided the town would receive the bills for taxes. Two hundred pounds per annum were to be given Harvard College for salaries and exhibitions. Twenty pounds per annum for a grammar school in each county and forty pounds per annum for the salary of the master of every such school.

#### OBJECTIONS TO THE BANK OF CREDIT

The order of council which was issued in August, 1714, obviously did not by its terms prevent the projectors of the bank of credit from maturing their plan with a view to its

submission to the assembly as a condition precedent for printing the scheme and for putting the plan in operation. Their preliminary preparations, reference to which has been made, were therefore carried on openly, and at the October session they submitted a scheme, presumably the same as that which was subsequently printed, of which an abstract has just been given. The action of these gentlemen in thus publicly continuing their preparations led Paul Dudley, the attorney general, whose memorial to the council had caused the issuance of the order of prohibition, to publish a pamphlet in which he violently attacked the private bank of credit and advocated the plan of emitting bills of public credit by the province for loans to individuals as the proper remedy for the situation. When Dudley wrote, no submission of the scheme of the proposed bank had been made to the assembly, and he inferred that it was not intended to make any application for a charter. He asserts, indeed, that they "presume to Incorporate themselves, and make their own Rules and Orders," thus showing that at this stage of operations, notwithstanding his use of the word "Incorporate," the intention of the projectors to proceed as a partnership of private individuals was clear. Dudley's pamphlet, which was in the form of a letter addressed to John Burril, Esq., Speaker of the House of Representatives, was entitled "Objections to the bank of credit, lately projected at Boston," was dated Boston, October 22, 1714, and had a postscript in which he admitted that the projectors, since the date of his letter, had remodelled their scheme, thus removing several of the objections that he had raised to it.

## REPLY TO THE OBJECTIONS

A reply to this letter was published under the title of "A letter from one in Boston to his friend in the country. In answer to a letter directed to John Burrell, Esqr." etc. The letter was dated "New England, Anno 1714," and was signed "F - - -l. B - - -t." It was a vigorous attack upon Dudley's arguments, and a strong endorsement of the private bank in preference to the so-called public bank, as a remedy for the supposed shortage of money. The right of the province to emit bills for the purpose of loaning them at interest was challenged, as was also the power of the government to prevent individuals from agreeing among themselves to "take one anothers Notes" or "to agree upon some persons to form these Notes under their hands for them." The writer asserts that the order of the council had been strictly complied with. The scheme had been submitted to the general court when he wrote, but had not been printed, although he says that since he began his letter he had heard that the scheme "is coming out in print;" elsewhere he refers the reader to "the true Form and Tenour of the Bill in the Scheme Printed," from which we may infer that he had seen the scheme in printed form, perhaps in proof. He refers apparently to the proposed bank of 1686 in the following: "Our Fathers about Twenty eight years ago entred into a Partnership to Circulate their Notes founded on Land Security, stamped on Paper, as our Province Bills, which gave no offence to the Government then, and that at a time, when the Prerogative of the Crown was extended further than ever has been since." He intimates that the projectors "are applying Home for a

Charter from the King to Incorporate them," and says they "have agreed by a Humble Petition, to lay it before His Majesty, praying for a Charter of Incorporation." The approximate date of the letter may be inferred from the character of the arguments against the public bank. The proposition for the province to loan bills of public credit to individuals on interest was evidently under discussion when he wrote. This question was settled by the emission November 14, of £50,000 for that purpose. The pamphlet, therefore, probably antedates this event.

#### A VINDICATION OF THE BANK OF CREDIT

Following this the projectors of the bank issued a pamphlet signed by nine of the participants in the scheme, "at the desire and in behalf of the Partnership." This was entitled, "A vindication of the bank of credit projected in Boston from the aspersions of Paul Dudley, Esqr." etc. The "Vindication" was, as its name indicates, devoted to a defence of the private bank and an attempt to refute the arguments of Paul Dudley. It was dated December 20, 1714, and contained the announcement that in consequence of the needless aspersions under which the "Projection" had labored the advocates of the scheme would take occasion to print it in full. There is no indication in the pamphlet of any intention on the part of the projectors to abandon their scheme, even though the so-called public bank had been established about a month before the date of its publication, but the supply of £50,000 of currency to the inhabitants in the way of loans must have undermined the arguments in favor of the establishment of the bank, and as

a matter of fact the experiment was abandoned practically at this point. Not, however, until the projectors, in the latter part of December, 1714, or early in 1715, had carried out their promise and published their scheme, an abstract of which has already been given. The full title of this pamphlet was "A projection for erecting a bank of credit in Boston, New England, founded on land security, 1714."

On the twenty-second of June, 1716, a committee of the General Court, appointed for promoting the produce and trade of the province, reported a bill for emitting £100,000 in bills of public credit. The £50,000 loaned to the Boston merchants to enable them to carry the sterling drafts issued in payment for the supplies furnished the Hill and Walker Quebec expedition, had by that time been nearly all paid back, but the £50,000 loaned to individuals in 1714 was still outstanding. The subject of the loan was under consideration during the summer, and on the fourth of December an act was passed authorizing the emission of £100,000 to be distributed among the counties and loaned to inhabitants of the province at five per cent. interest on real security for ten years.

#### SOME CONSIDERATIONS UPON THE SEVERAL SORTS OF BANKS

While this bill was under discussion a pamphlet was issued entitled "Some considerations upon the several sorts of banks propos'd as a medium of trade; and some improvements that might be made in this province, hinted at." The writer intimated that the silver was all gone out of the province, while the bills of public credit were daily

decreasing. He thought the situation could be improved by the emission of bills of public credit which should be lent to particular persons for useful and beneficial work, or given outright to others to encourage inventions and trades. This would not only increase the running cash, but would diminish imports.

Various propositions had been made, he said, to ameliorate the situation, the first of which was the private bank of credit founded on land security. This was dangerous, because it lodged too much power in the hands of individuals. They could emit large sums of bills and monopolize commodities. The second, the public bank, concentrated too much power in the hands of rulers. A third proposition, that of loaning bills of public credit to towns for twenty years at five per cent., was most eligible. He referred to a "new specie of bills founded upon mortgaged lands and upon the country's undivided lands," and concluded that the loans to towns was the better remedy of the two for the evils of the situation. Finally, he suggests a fourth remedy. Men of business were to get together, make bills, and give security to answer them. These bills were to be emitted without interest, and once a year the men of business who emitted them to each other were to assemble and provide for the expense of maintenance of their company. Their books of subscription were to be opened in various places in the province, and when a "competent cash" had been taken out the books were to be closed. Such a bank as this, he thought, might be very useful as a medium of trade.

After all, however, he thought that banks were only remedial agents. They were like cordials administered to a sick man. Their effects were only temporary, and they



were not to be regarded as of permanent use. It was preferable that the government should emit large sums in bills for promoting what might be beneficial and of general use. The building of a bridge over the Charles was of this class. It would call for the expenditure of a large sum of money, and the bridge when constructed would be of public benefit. The cutting of a canal at Sandwich would operate in a similar way. Industrial enterprises might be set up; agriculture encouraged; and grain warehouses built. A day might be set when there should be no more slaves, and a moderate provision of wild land might be made for servants whose term of indenture had expired, thus opening new townships. The sum of £100,000 which the General Court had agreed upon as the proper amount to emit for loans was, in his judgment, not enough; but notwithstanding the inadequacy of the amount, he asks, How should it be emitted? Should it be loaned to towns without interest, or to our necessitous neighbors with interest? He was of opinion that the best method of loaning this sum would be through the towns.

The £100,000 loan would appear to have had so perceptible an effect upon prices that the cause of the rise was directly attributed by many to the emission of this large amount of bills. The general effect of the emission probably was to increase the bills of public credit of the province in circulation by more than 40 per cent.

#### DISCUSSION OF REMEDIES

A writer who was opposed to the emission of paper money seized this opportunity to issue a pamphlet in which he attacked the system which then prevailed of constantly

attempting to relieve the apparent stringency of the money market by emitting more bills of public credit. The title of the pamphlet was "The present melancholy circumstances of the province consider'd, and methods for redress humbly proposed, in a letter from one in the country to one in Boston." From the opening sentence in the pamphlet it may be inferred that the writer had somewhere made public some of his opinions upon the subject under discussion, but he does not indicate where this expression of opinion is to be found. He ascribes the disappearance of the Spanish silver money upon which the province had mainly depended for a circulating medium to mismanagement and extravagance, and sees no relief for the situation except in an excess of exports over imports. Relief may be found in a diminution of the present extravagance in clothing; in a reduction of the use of wine, rum, and brandy, as well as of tea, coffee, and chocolate; and in the refusal to license so many taverns. He sums up his views in two rules, which are in substance: Make what we can at home: buy no unnecessary imports. "I'm humbly of opinion," he says, "that a thousand schemes about *Banks* and *Paper-Money* would not help us like this." He calls attention to the rise of prices during the past twenty years, says the cost of living has doubled and that since the £100,000 emission prices have considerably risen. "Some think," he says, "that the emitting more paper money would bring us out of our difficulties, but I'm humbly of another opinion." His suggestion for a remedy resolves itself into, Buy no more imports than are necessary.

It is evident that this pamphlet was favorably received, for about a month after it was published the author

presented the public with a résumé of his views. This time his pamphlet was entitled "An addition to the present melancholy circumstances of the province considered, &c. March 6th, 1718, 19. Exhibiting considerations about labour, commerce, money, notes, or bills of credit." The publication bore the date April 14, 1719. The various subjects designated in this title are taken up in the order of their mention, and treated at some length in the body of the pamphlet. He is, as may be inferred from the previous pamphlet, an advocate of industry, a believer in the necessity of reducing the expenditures for articles of import, and a disbeliever in the bills of public credit, at any rate a disbeliever in them as they are being handled. There was a constant tendency towards increasing the amount in circulation and a disposition to postpone the levying of the funds through which they were to be withdrawn. He argues that calling them in will increase their value, and deprecates the postponement of any of the so-called funds established for their recall. He refers to a practice which had sprung up of paying laborers "with half Money and half Goods" and asks, Is not this a great damage to them? His general views may perhaps be summarized in an epigrammatic statement from the pamphlet. A law, he says, may lay restraints and threaten penalties, "but it can't change Men's minds, to make them think a piece of Paper is a piece of Money."

#### THE PRIVATE BANK AGAIN TO THE FRONT

About this time it was evident that the advocates of the private bank acquired new hopes of being permitted to put

their plan in practice. Following the propagandism of the opponents of bills of credit, came a pamphlet in 1720, written by John Colman, afterwards notorious for his connection with the Land Bank of 1740, entitled "The distressed state of the town of Boston, &c. considered. In a letter from a gentleman in the town to his friend in the country." From its pages we get a few ideas as to the then existing condition of affairs in the province. The author speaks of the vast number of lawsuits pending in the courts and asserts that at the April term that year, in Suffolk County, Massachusetts, one thousand writs were taken out. He refers with disapproval to the law "to shorten credit." He believes that "everybody's Belly is full of the Publick Bank," the "wretched consequences" of which they were short sighted if they did not foresee. He estimates the outstanding bills of all New England at £200,000. The outstanding loans demand annually large sums for interest, "How then shall the Principal be paid?" he says. His remedy is a private bank, but if the government would not permit that, then he would emit bills of public credit for the construction of public works and the encouragement of industries.

His estimate of the outstanding bills in circulation in 1720 was ridiculously small. Massachusetts Bay alone had about £230,000 outstanding, granting that all loans had been paid when due, a proposition which was, of course, not to be accepted as true. It was true, however, that in 1718, 1719, and 1720, the amount of bills of public credit of the province in circulation was nominally reduced by nearly £50,000, through payments of loans and interest. Meantime, notwithstanding this reduction, the price of silver continued to

rise, showing that from some source the quantity of bills in circulation was at least maintained, perhaps increased. The contributory effect of the bills of the adjoining governments was then at work, and although the specific emissions to which it might be chargeable are not to be identified, it may be assumed that the explanation of this phenomenon is to be charged to this cause.

The author refers to a law for limiting or shortening credit. This statute was simply a reduction of the term of the Statute of Limitations to two years. Merchants then gave long credits. The steady depreciation of the currency brought them in contact with the obvious fact that debtors who took long terms for the settlement of their accounts were able through the legal tender function of the bills of public credit which had progressively declined in value, to make adjustments of their affairs which were disadvantageous for their creditors. The proposed remedy, the shortening of the term of the Statute of Limitations, was in its nature experimental and the law was to be in effect according to its terms for five years only. It did not work satisfactorily and was not extended. The publication of this pamphlet was followed by the arrest of its author in a criminal suit for libel.

#### REPLIES TO COLMAN

Colman's "Distressed state of the town of Boston considered" brought out a prompt reply in the News Letter, and a few days thereafter a pamphlet entitled "A letter from one in the country to his friend in Boston, containing some remarks upon a late pamphlet, entitled the distressed

state of the town of Boston, &c." The pamphlet is devoted to an attack on the private bank and to a refutation of Colman's arguments. It is a curious mixture of common sense with ignorance of economic laws, but as a whole the positions taken by the author are reasonable. He quotes silver at 12s. an ounce, and says that even the counters which pass for pennies are being bought up at 14d. a dozen, although they will pass for only half pence in England. He refers to a current belief that the province would not call for payment of the loans outstanding. The growing scarcity of the bills will, in his judgment, bring the bills ultimately to a par with silver. The trouble with the law limiting credits was that it did not go far enough. The power to contract debts ought to be limited still further. Long credits produce extravagance and encourage imports. England can protect herself against excessive imports by heavy duties, — a power which the colonies cannot exercise. Reduce extravagance by abolishing long credits, and then let there be industry, frugality, and good husbandry, and the trouble will be cured. The so-called "Letter" bears date April 23, 1720. The communication to the News Letter appeared April 18. They were both attributed to the Reverend Edward Wigglesworth.

An anonymous publication, three pages in length, dated "Deadham, 1720," appeared about this time. It was entitled "The Postscript." The writer attacks the positions taken by the author of "The distressed state of the town of Boston considered," etc., and asserts "That the *Distressed Author*, of the *Distressed State* whoever he was, To my apprehensions had taken the Model from himself, and by mistake had won the Towns Case Paralel with his own."

## COLMAN FINDS A DEFENDER

About a month after the appearance of the "Remarks" on Colman's pamphlet, a reply thereto appeared under title of "A letter from a gentleman containing some remarks upon the several answers given unto Mr. Colman's, entitled, The distressed state of the town of Boston." This letter is addressed to Colman, and the pamphlet plainly shows that the "several answers" upon which he is making remarks are the News Letter communication of April eighteenth and the pamphlet which has just been described, dated April twenty-third. He says, however, that in addition to these he has "also seen a piece of sullied paper Intituled, The Postscript," which he "hastily ran over, but thought it not worth while to give it a second reading, being sensible that none but some very mean wretch could be so simple to think the Cause (of which he would be thought a Patron) could receive any benefit by the railing of such a *Rabshica*." Apparently this postscript was not by the author of the pamphlet. The tone of the "Letter" to Colman is vulgar, and it contains but little information on current affairs. It does, however, refer to the diminution of the Newfoundland trade, which is attributed to the high price of provisions. It also refers to the payment of laborers, half money and half goods, and asks what else can the laborers do with "their Notes to Shops" than to improve them as best they can. It asserts that the discount on the colony bills caused the soldiers of the Canada expedition to lose fifty per cent. of their wages. It disputes the statement that at a town meeting in Boston the private bank was rejected by a great majority

of voters, and thinks that on a written vote that "would have proved pretty equal."

#### THE ATTACK ON COLMAN RENEWED

The date affixed to this pamphlet was May sixteenth, 1720. On the twenty-fourth the author of "A letter from one in the country to his friend in Boston, etc.," retaliated with "A vindication of the remarks of one in the country upon The distressed state of Boston, from some exceptions made against 'em in a letter to Mr. Colman." The writer reasserts his belief that the remedy for the situation is to be found in reducing the imports below the exports, and this he would accomplish by checking extravagance through the limitation of credits. If it could not be done in the way proposed, he would have ten per cent. interest charged on all traders' over-due accounts. He opens with the assertion that he is opposed to the emission of any public or private bills on any scheme that has as yet been suggested, but adds that he himself has under consideration a project by which "an Hundred Thousand Pounds of Bills may be emitted in such a manner as to raise their credit equal to silver, and to bring an Hundred Thousand Pounds of Silver into the Country in a few years." This suggestion is extremely interesting. The language in which he outlines his project closely resembles that used in the schemes proposed by the hard money men a few years later in their ineffectual struggle to bring the province to a specie basis, and it is not improbable that we have here the germ of those efforts.

The greater part of the pamphlet is taken up with a review of the "Letter" to Colman, which is dissected



sentence by sentence, the arguments of his adversary being refuted and his statements denied. The allegation made by the author of a "Letter from a gentleman" that the soldiers of the Canada expedition suffered a loss of fifty per cent. on their wages is denied. A statement made by him that £3,000 in silver is all that comes annually to the province is met by the counter statement that £10,000 at least is received each year and that £10,000 was exported a short time before in one ship. The only hoarding of bills of which he knows anything is purely artificial, and is performed by the advocates of public or private banks for the purpose of affecting public opinion.

#### OIL ON THE TROUBLED WATERS

A pamphlet entitled "Reflections on the present state of the province of Massachuset Bay in general and town of Boston in particular; relating to bills of credit and the support of trade by them: As the same has been lately represented in several pamphlets," was published in July, 1720. Following the custom of the day, it was in the form of a letter, bore date July 20, 1720, and was addressed to the author of the "Distressed state of the town of Boston," etc. The writer deprecates the tone of the discussion and seeks to pour oil on the troubled waters by his calm and temperate treatment of the subject, his object being "to perswade the Dissenting Gentlemen themselves to be of one mind." His pamphlet is well-constructed in form, although weak in its conclusions. He lays down a series of preliminary propositions as to trade, commerce, and money, in displayed type, most of which are undeniable. Following

these propositions comes in each instance a brief discussion. These discussions or elaborations of the propositions are many of them acceptable. He has evidently been much impressed with the arguments which attribute the evils of the situation to extravagance of living and excessive imports, and he therefore urges economy, industry, and frugality. He apparently conceived that with united efforts in these respects, the bills of public credit could be supported by public opinion, or to quote his own words, "To me, therefore, it seems as if the restoring and upholding our Bills of Credit to their just Value, would be an excellent means to put an End to these Controversies, and give every one Content." How this restoration and upholding was to be accomplished he does not point out, but it may be inferred that he thought that a united effort of the people would accomplish this result.

#### COLMAN AGAIN TAKES A HAND

On the same day that "Reflections on the present state of the province, etc.," came out John Colman issued a second pamphlet entitled "The distressed state of the town of Boston once more considered. And methods for redress humbly proposed, with remarks on the pretended countryman's answer to the book, entitled, The distressed state of the town of Boston, &c. With a schæme for a bank laid down: and methods for bringing in silver money, proposed. By John Colman."

Colman's new pamphlet was mainly directed towards answering the attacks on his former publication. Scattered references by Colman to the author of these attacks show

that he was recognized as a clergyman of high standing. Colman refers to "the character of him who is accounted the Author," says "He forgets the Scriptures (though if I am not out of my guess) his Profession is to study them;" advises him "to stick to Divinity," and professes to "like him much better in the Pulpit." He lays down the proposition with emphasis that the only way out of the present troubles in the province is to project some new medium of exchange. He states that the treasurer of the province had recently paid one hundred and forty per cent. for exchange to remit to the province agent in London. The province, he was of opinion, had grown in riches and strength more than any of the other governments, yet there was much of what he called "Truck Trade," that is to say, traders both bought and sold, for part cash and part goods, while laborers were invariably paid in part with orders on shops for goods. His proposition for relief was a Land Bank. Against the lands to be mortgaged by the subscribers, notes would be issued for two-thirds the value of the mortgaged property. Borrowers were to pay the bank six per cent. interest. He evidently regarded £200,000 as what he termed a "suitable sum" for emission, and if this amount were actually to be taken out by borrowers, the interest on it would be sufficient to leave a large margin above the expenses of the bank for profits. These profits he would invest in silver and retain in the treasury of the bank until the sum on deposit equalled the notes emitted. He thought that it would take twenty years to accumulate enough silver to redeem the notes on the basis of silver at eight shillings an ounce. He was of opinion that patrons of the bank might, perhaps, take bank credit

instead of notes, and believed that if this were the case it would greatly help the situation. He did not want engraved notes. They were too easily counterfeited. But he conceived that a note on stamped paper, partly printed and partly written, would be much safer. He proposed that laws should be passed forbidding the purchase or sale of silver at a price above eight shillings an ounce, and requiring shipmasters to take oath before sailing that they had no silver on board. Still, he was not hopeful of accomplishing anything through his scheme unless it should be approved by the government. "But it is a vanity I confess to think that a private Bank would answer without the Government support and encourage it by suitable laws," are his words on this subject.

#### A NEW PROPOSITION

Another pamphlet dealing with the currency subject was issued this year under the title, "Some proposals to benefit the province." It was signed F. M.; had a three-page postscript, and simply bore the date of the year, 1720. The author advocated a Province Bank of "2 or 3 hundred Thousand Pounds, more or less," to be under control of the "Great and General Assembly." He proposed to loan bills of public credit, on "Improved Lands or any sufficient Security." The loans were to be for twenty years. Interest at six per cent. per annum was to be paid in hemp, flax, turpentine, pitch, tar, rosin, fish, oil, whalebone, or any other article which would prevent imports or be available for export. The interest for the first year was to be waived, and the twenty annual payments thereafter would not only

be applicable as interest upon the loan, but would also extinguish the principal.

The produce received for interest was to be stored and sold for bullion. The bullion was to be lodged in the treasury and retained there. The fund thus established might be used to redeem the outstanding bills of public credit. The writer evidently was unfamiliar with the subject, but his pamphlet is of interest in view of the fact that we find here for the first time the introduction of the use of the produce of the province in connection with a currency scheme, as a weapon of warfare against excessive imports.

#### PAMPHLETS WITH SATIRICAL TITLES

A series of political pamphlets was published in 1720 and 1721, the connection of which with each other was indicated by their titles. Not all of these have been preserved, the titles of some being known only through references to them or through advertisements. The first of these was entitled "News from Robinson Crusoe's Island," and was a purely political pamphlet, having no connection with the currency question. Reference is made to it here simply because it is referred to in the titles of two pamphlets, which, in consequence of their dealing with the currency, we are compelled to notice. These are "Reflections upon reflections or more news from Robinson Crusoe's Island, in a dialogue between a country representative and a Boston gentleman," and "New news from Robinson Crusoe's Island, in a letter to a gentleman at Portsmouth." Both of these pamphlets are full of personal allusions.

## LOOKING TOWARDS RESUMPTION

We have seen that the author of "A vindication of the remarks of one in the country," etc., presumably the Reverend Edward Wigglesworth, announced in that pamphlet that he had under consideration a project by which an hundred thousand pounds might be emitted in such a manner as to bring a corresponding amount of silver into the country in a few years. A pamphlet was published either the same year or in the early part of 1721, bearing upon its title page almost the identical words given by him in the "Vindication." The exact title of the pamphlet was, "A project for the emission of an hundred thousand pounds of province bills in such a manner as to keep their credit up equal to silver, and to bring an hundred thousand pounds of silver money into the country in a few years." The connection of the author of the "Vindication" with the published project was still further established by references in his text to his former publications.

It was proposed that this large emission should be made to subscribers, to whom the bills were to be loaned without interest, provided they would agree to repay the province in annual instalments in silver at specific rates. The bill proposed to be emitted was by its terms declared to be equal to silver money at seventeen and a half pennyweight, (that is to say, the Spanish dollar at full weight), and might be exchanged at the treasury for silver on or after December first, 1721. The suggestion contained in this proposition, to the effect that the Boston merchants should combine and float a loan made by the province in bills of public credit, which they should agree to pay back to the

province in silver coin, furnished the basis for several attempts at resumption of specie payments a few years later. Although none of these attempts was successful, it is interesting to note the origin of those persistent efforts on the part of the hard money men to secure relief from the evils of the promiscuous emission of an irredeemable currency.

### THE PAPER CURRENCY FINDS DEFENDERS

Early in 1721, there appeared a pamphlet entitled "A Letter to an eminent clergyman in the Massachusetts Bay. Containing some just remarks and necessary cautions, relating to public affairs in that province. Printed in the year 1720." This date is doubtless Old Style, as it is evident from dates in advertisements in the pamphlet that it did not appear until the spring of 1721. The author was a strenuous advocate of a paper currency.

A writer, identified by J. Hammond Trumbull as the Reverend John Wise of Chebacco, entered the arena in the early part of 1721, by publishing a pamphlet devoted to the advocacy of a private bank entitled "A word of comfort to a melancholy country, or the bank of credit erected in Massachusetts fairly defended by a discovery of the great benefit accruing by it to the the [*sic*] whole province, with a remedy for recovering a civil state when sinking under desperation by defeat of their bank of credit. By Amicus Patriæ. Boston, 1721." The verbose title reflects the contents of the pamphlet. Certain propositions are laid down and certain objections are submitted by a controversialist who is easily overthrown by the author. The style is

quaint and gossipy, but nothing of material value is to be acquired from the perusal of the pamphlet.

#### THE WARFARE BECOMES PERSONAL

The appearance of the "Word of comfort to a melancholy country" led to an attack on the author under the guise of an advertisement to which he felt compelled to reply. This was the explanation of the genesis of "A friendly check from a kind relation to a chief cannoneer, founded on a late information dated N.E. Castle William, 1720-21." To the protest against the intermeddling with his affairs contained in the body of the pamphlet, the writer adds a letter addressed to his son, in which he gives an account of his connection with a loan from the public bank.

#### A NEW BASIS FOR A PRIVATE BANK

The spring of 1721 saw still another contribution to the discussion in the shape of a pamphlet entitled "A discourse shewing that the real first cause of the straits and difficulties of this province of the Massachusetts Bay is its extravagancy, not paper money. By Philopatria. Boston, 1721." The author contended that neither those who attributed the evils of the situation to paper money, nor those who asserted that they were caused by a lack of a medium of exchange were right. The true cause was to be found in the extravagant consumption of foreign commodities. The emission of more bills of public credit would not cure the evil. He was opposed to the emission of bills on the security of land, and advocated a system of paper money secured by produce or



movables capable of export. He asserted that merchants could not be relied upon to maintain new emissions of bills of public credit. Nevertheless, he proceeded to recommend a five-year loan of province bills to the towns.

## SECOND PART OF SOUTH SEA STOCK

One other pamphlet was published at this time and with the mention of this the list of the efforts of the pamphleteers, who were stimulated into activity by the condition of things in 1720 and 1721, must close. The title of this publication was, "The second part of South Sea stock, being an inquiry into the original of province bills or bills of credit, now in use in his Majesty's plantations, more especially in New England, with some thoughts relating to the advantage or hurt done by emitting the said bills. Boston, 1721." The writer vigorously attacked the paper money of the times and as the title indicates, prosecuted a historical inquiry into its origin. He reprinted the statutes under which the first emissions were made, and for many years this pamphlet was the only printed authority to which one could turn for this information. This pamphlet is one of the few among the publications of the controversialists of the period which is entitled to be reproduced through the intrinsic value of its contents.

## CONTRACTION OF THE CURRENCY

The alleged basis for the activity of the promoters of the private banks at this time was the scarcity of the bills which furnished the province with a circulating medium. There

were at one time treasurer's statements which would have enabled us to determine authoritatively what foundation there was for this prevalent opinion. Tested by the quotations of silver it was not well grounded. In 1719, the author of "The present melancholy circumstances of the province consider'd," etc., said, "When *Silver Money* is sold—it fetches *Eleven or Twelve Shillings an Ounce in Paper Money*." In 1720, it was, according to the author of "Some proposals to benefit the province," "sold at 12s. 6d. or 13s. *per Ounce*." It is true, however, that between these dates the amount in circulation of bills of public credit emitted by the province of the Massachusetts Bay, had actually diminished. The bills of the other colonies must have contributed to fill this vacancy. Rhode Island alone then had outstanding £40,000 loaned to inhabitants, the greater part of which must have sought circulation elsewhere. These outside bills were taken freely in trade, and their influence must have been felt in the price of silver, while on the other hand, a diminution of the bills of the province of Massachusetts Bay would have disclosed itself more conspicuously among those who had payments to make to the government, whether in the form of taxes or in payments of loans. It is not difficult to determine the amount of bills of public credit emitted on a given year, nor is there any trouble in ascertaining the sum fixed upon to be called in each year by taxation. It is impossible, however, to settle when and how the various loans were paid. Hence, in any calculation of the outstanding bills of public credit of the province, the only thing that can be done is to assume that the loans and the taxes were paid when due. It is certain that many of these loans were never paid, and it is known that at times

there were great delinquencies in the payment of the taxes, but there are no means of ascertaining except upon one or two specific occasions, how far these causes affected the amount of currency outstanding. It is evident, however, that whenever large payments of these loans were being made an impression of a shortage in the circulating medium was produced which resulted in a call for more bills. £50,000 had been emitted in 1711 to Boston merchants. This was probably all of it repaid by 1715. To fill the place of the actual or pending withdrawal of this amount from circulation, £50,000 was loaned to inhabitants in 1714. This was to be paid back by instalments, 1716 to 1720 inclusive. £100,000 was loaned in 1716, this time the term being for ten years. By 1720, £200,000 had been loaned out, and if all payments had been duly made £100,000 had been paid back, leaving outstanding besides the balance, the surplus emissions for current expenses, which, through the postponement for several years of the funds for calling them in, now amounted to about £130,000. It was undoubtedly the withdrawal of £50,000, 1716-1720, to pay back the loan of 1714, that stirred up the controversialists. The great disturbance caused in the circulating medium by these transactions militated against the public bank. The believers in the private bank argued that their currency was not subject to these fluctuations. "There will be more than *Threescore Thousand Pounds* to Pay," says Colman, "and nothing to pay it with; for the Bills come in for the Interest; how then shall the Principal be paid." Again, he says in another place, "Pay Day will come, but when it doth come, there will be nothing wherewith to Pay. Whereas the Private Bank would have still been the same, the Interest Money would

have circulated in Trade, and would not have been diminished ; the Stock would neither have increased nor decreased, but remained the same intire Sum which was at first agreed on, without any Addition or Diminution." The interest money received from some, at least, of the loans was regarded as a fund to be applied for current expenses. To become thus useful the bills must have been reissued, thus reducing the force of Colman's criticism, but it is evident that under the then existing circumstances such arguments would appeal to many persons, and had Colman really presented a scheme worthy of public support, he might have found a following even among the capitalists. As it was the supporters of the public bank again carried the day. A cry was raised among the borrowers, that the demand for a circulating medium was to be met by leaving the bills loaned in permanent circulation ; but while it is plain that this was not seriously contemplated, it is also clear that great obstacles were placed in the way of the collection of the £100,000 loan when it fell due. Meantime, however, the situation was temporarily relieved by the emission of a new loan of £50,000. As a still further measure of relief it was provided that taxes might be paid in produce, and for many years thereafter this custom prevailed.

The extravagance of life in Boston was, as we have seen, a source of much comment at this time, and we find recognition of its existence in legislation. Some of the extravagance of the poorer people was explained by the habit of paying laborers partly in money, partly in orders on shops. To cash these orders they often purchased things that they did not need, but no such explanation could account for the extraordinary expenses imposed by the custom of the period

at funerals. It was stated that the charges on these occasions had become so extravagant, especially in the giving of scarves, that it worked an injury to the province and tended to impoverish many families. It was made a penal offence to give away a scarf at a funeral and at a later date gloves, wine, rum, and rings were added to the prohibition.

#### ACTION OF OTHER COLONIES

The experience of the province of Massachusetts Bay in successfully meeting its current expenses with bills of public credit had naturally attracted the attention of the other colonies, and all of them had adopted the same course, some with intelligent restraint, others with headlong recklessness. The financial situation in the New England colonies was controlled by Massachusetts Bay, although so far as Connecticut was concerned, the emissions of that colony were for many years moderate, and had it been possible to enforce a law preventing the circulation there of the bills of other colonies, there would have been at this time less cause of apprehension from the disturbance caused there by an excess of paper money than in the other New England colonies. In the South, the Carolinas had taken the bit in the mouth and had already reached a condition of expansion which attracted the attention of the pamphleteers in Boston. "Suppose silver should come to *Twenty or Thirty Shillings per Ounce* as it is at Carolina," says Colman in "The distressed condition of Boston once more considered."

The influence of the crown during all this period was exerted against the undue expansion of paper money in the

colonies, so that where there were governors whose appointment came from the crown, there was steady pressure exerted in restraint of excessive emissions of bills of public credit. There was less certainty of obedience to the royal instructions in the proprietary and charter colonies, and there the hard money men had to rely upon the common sense of the legislators. Even in the provincial governments, whose royal governors were disposed to follow out instructions, the authority of the legislative bodies, exercised through their control over appropriations for the support of the government, was a powerful weapon in the hands of the assemblies, to which the royal governors were obliged to succumb in emergencies. This was especially true in Massachusetts Bay, where the representatives assumed a control over the disbursements of the government which was evidently not contemplated by the charter, and which in effect greatly reduced the power of the governor and council. Unless they would see the wheels of the government stopped, the council were often obliged to approve emissions in violation of royal orders and the governor was obliged to wink at that which he knew must draw upon him the disapproval of the board of trade and the privy council.

#### A DECADE OF QUIET IN MASSACHUSETTS

The activity of the promoters of the private bank received a set-back in March, 1721, when the loan to towns of £50,000 which has already been referred to was made. The discussion was for a time entirely abandoned in Boston, the next pamphlet on our list being a Philadelphia production which did not appear until 1729. In that year

Benjamin Franklin published in Philadelphia a tract entitled, "A modest enquiry into the nature and necessity of a paper currency."

This was followed by the publication in 1731 of a pamphlet entitled "Trade and commerce inculcated with proposals for the bringing gold and silver into the country. Boston, 1731." The writer indicates in his title the side that he takes in the controversy. His discussion of the subject is involved, and his ideas, if he had any, are buried under a volume of words.

In the year 1733 there was published another pamphlet entitled "Money the sinews of trade. The state of the province of Massachusetts Bay considered with respect to its trade for want of a medium of exchange wherewith to manage. By a lover of his country—Boston N.E." The writer attacks the Rhode Island emissions and submits a project for a private bank. This was to be a copartnership. The bills were to be received by agreement among the partners on the basis at which the bills of public credit then circulated. Their circulation among others was to be enforced by a species of boycott on those who should refuse to receive them. The bills were to be based upon land security and the bank was to be not only a bank of issue but also of deposit and discount.

The entire situation relative to the currency in the province of Massachusetts Bay underwent about this time a radical change, and the pressure of the privy council for some sort of restraint upon emissions by the government became so far operative as to bring about an actual reduction of the bills of the province in circulation. Beginning in 1726 and covering the next fifteen years, there

was a progressive reduction of the sum in circulation which ultimately amounted to fully one-half of that which was out in 1726. The £100,000 loan expired in 1727. It was not fully paid up at that time, but pursuing the same policy as had heretofore prevailed, a new emission was made of £60,000 which was loaned to towns to be repaid 1734-1738. Pressure was brought to bear by the privy council to prevent the extension of the £100,000 loan and also to prevent any new loans of the same sort, but the assembly succeeded after a protracted contest in securing the necessary approval to the £60,000 loan.

#### BELCHER'S ADMINISTRATION

In 1730, Governor Belcher arrived in Boston. He had been in London and was determined to carry out the royal instructions. To meet the various difficulties interposed by the assemblymen to the efforts to check the emissions of bills of public credit, instructions had been issued which prevented emissions by mere legislative resolves; which required that each act authorizing an emission should contain a clause making it inoperative until it should have been approved by the board of trade; which compelled the governor to exert his influence in procuring the passage of tax levies so that the bills which had been issued should be retired according to the terms of the funds established at the time of the issue; and which limited the amount of bills of public credit which might be issued annually to £30,000, the same to be called in the next year. With Belcher for governor, the colonists had staring them in the



face the impending withdrawal of their circulating medium, with no visible substitute at hand.

It is probable that at first the extent of the threatened conflict was not appreciated. Evasions of royal instructions had been tolerated and the colonists had been successful in maintaining their emissions of bills of public credit, but the time had now come when a governor was in power who was a strict constructionist, seeking for approval in England and acting under instructions so framed as to overcome the evasions of the past. Notwithstanding the consternation and dismay of the people, the instructions were practically enforced and for a time the wheels of the government were nearly clogged.

### CONNECTICUT STARTS A LAND BANK

We have seen that after eight years of rest, the pamphlet discussion was renewed in another colony in 1729. So also the efforts to establish a private bank were transferred the same year to another field than Massachusetts Bay. A petition was filed at the October session of the general assembly of Connecticut, in behalf of a company styled the New London Company for Trade, praying that a patent might be granted which should enable the company to carry on its business according to the terms of the covenant into which the members had entered among themselves. Among other things asked for they prayed "That our Company may be allowed to emitt bills for currency upon our own credit as we may see occasion at any time for promoting our trade." This petition was refused, but in 1732 a second petition to the assembly was filed in which the

memorialists prayed to be put in a politic capacity as a society for the purpose of carrying on trade and commerce, for encouraging the fishery, etc. This petition was relieved of the clause granting the company power to emit bills, and was successful. The memorialists were declared and constituted to be for the future one society in fact and name, by the name of "The New London Society United for Trade and Commerce." They at once proceeded to emit bills, which instead of being declared to be "in value equal to money," like the bills of public credit then in use were said to be "in value equal to silver at sixteen shillings pr. ounce, or to bills of public credit of this or the neighboring governments." In other words, they were put on a par with the bills then in circulation. As soon as the governor of the colony learned what was being done under cover of the charter, he summoned a special session of the assembly and secured the necessary legislation to annul the charter and wind up the affairs of the company. Meantime, Connecticut, so far as the emissions of the colony itself were concerned, had exercised great restraint, but while thus controlling her own emissions and preventing individuals from emitting private bills in evasion of her laws, the colony had suffered from the circulation within its limits of bills of public credit of other governments.

#### ATTEMPTS AT RESUMPTION

It has already been stated that the author of the "Project for emitting an hundred thousand pounds," etc., had conceived of a bill in which the value was defined to be equal to silver at seventeen and one half penny weight to the piece

of eight. The idea of a fixed rate of silver on the face of the bill was accepted by others about this time as a remedy for the decline of the bills. The bills of the New London Society United for Trade and Commerce were stated to be in value equal to silver at sixteen shillings per ounce. During the years 1728 and 1729 efforts were made in Massachusetts Bay to secure the emission of bills of public credit, to be loaned to subscribers. The details of the proposed emission have escaped us, but later references show that the bills to be emitted were to have a value stated in a fixed rate for silver, and the loans were to be repaid by the subscribers in instalments in coin, thus facilitating a resumption of specie payments. In June, 1731, Jacob Wendell and others sought to secure the passage in Massachusetts Bay of an act of similar import to this. These attempts at resumption are interesting. They foreshadow the new tenor bill with its value expressed in a fixed rate of silver, and they show that it was believed by many of the hard money men that resumption could be effected on the instalment plan.

#### RHODE ISLAND BILLS

Rhode Island, like Connecticut, had an elective governor and, like Connecticut, was free from the danger of coercion arising from the desire of the head of the government to secure approval from the power which gave him his appointment and could at will remove him from his office. Unlike Connecticut, Rhode Island, at a very early stage, conceived the idea that the government could be supported by the interest to be received from loans of bills of public credit,

and there being no power to prevent the execution of the plan, bills of public credit far in excess of the needs of the colony were emitted and loaned to the inhabitants. The void in the currency in Massachusetts Bay caused by the compulsory reduction of the amount in circulation was probably more than filled by these Rhode Island bills, and when it was fully appreciated that Belcher proposed to enforce the royal instructions and by degrees bring about a reduction of the Massachusetts Bay bills to £30,000, Rhode Island, in 1733, proposed to fill the gap by an emission of £104,000, £100,000 of which were loaned to the public.

#### MERCHANTS' NOTES

The announcement of this proposed emission produced much excitement in Boston. An agreement not to receive Rhode Island bills was entered into by some of the Boston merchants, and then about a hundred of them organized themselves into a company, the purpose of which was, first, to prevent the circulation of the Rhode Island bills, and, second, to supply a currency to take the place of the withdrawn bills of public credit, which currency should also be helpful through the method of its redemption in bringing the business of the province to a specie basis. £110,000 of these notes were issued, in which the value was expressed in ounces, pennyweights and grains of silver, the rate on which the notes were based being 19s. an ounce. The subscribers who borrowed these notes entered into obligations to pay their loans in silver or gold, in annual instalments, while each of the notes was redeemable in coin, in three

instalments, three-tenths in three years, three-tenths in six years, and four-tenths in ten years.

The notes of the Boston merchants found a ready circulation, but the agreement not to receive Rhode Island bills soon broke down, and the effect upon the circulating medium of this large emission was to contribute to the causes which produced a further rise in the price of silver. This in turn caused the Merchants' notes to be hoarded and they disappeared from circulation.

#### NEWSPAPER CONTROVERSY

It is a curious fact that the formation of the Connecticut bank and the preliminary discussion concerning the emission by the Boston merchants of their notes in 1733 did not call forth any pamphlets specially devoted to these subjects; but while the writers did not record the details of the experiments in pamphlet form the columns of the contemporary press furnish all the information that could be desired concerning the Merchants' notes, and also contribute a voluminous discussion of the situation which had there been more time for deliberation would doubtless have assumed the pamphlet shape. The importance of the question, the novelty of the experiment, the evidence contained therein of a growing belief that the province could and ought to resume specie payments, and the evident interest taken in the matter by the Boston merchants, all combine to render it desirable that some selections from this newspaper discussion should be included in this series. It happens that the file of the *News Letter* at the Boston Public Library,

covering the years of the most importance to us in this connection, is remarkably full, but its pages contain but few communications relating to the currency question. We can turn, however, to the Weekly Journal, the Weekly Rehearsal and to an occasional copy of the Gazette, whose columns were thrown open to the disputants.

It is not important that any detailed analysis of these articles should be given. They were in part devoted to a general discussion of the probability of the proposed redemption of the notes in coin by instalments proving to be effective, and in part to arguments concerning defects suggested in the scheme. Many of them were ephemeral in character and had but a temporary value.

The publications dealing with the currency question down to the year 1720 which we have been considering are of interest not only because they register the gropings of minds absolutely unacquainted with the subject which they are discussing, but also because they shed light upon the history of the colony at a time when records are scant, and at a period when historians through lack of the stimulus of important events have neglected details of colonial history. As we approach the middle of the century in our chronological advance, we traverse ground more fully treated of. The questions at issue between the private and the public bank become more important, the events more startling, and among the pamphlets we occasionally find one of real value. With this change, however, comes an increase in the length of the pamphlets themselves which will not permit any attempt at descriptive analysis in other than the briefest of terms.

## NEW HAMPSHIRE NOTES

The example of the Boston merchants in floating their notes stimulated the traders of Portsmouth, New Hampshire, to a similar experiment. A local company was formed there in 1734, which emitted notes payable in 1746, in gold or silver at the then current price, or in passable bills of credit on the provinces of New Hampshire and Massachusetts, and on the colonies of Rhode Island and Connecticut. These notes bore interest at the rate of one per cent. per annum. This experiment was ephemeral and made no lasting impression. No pamphleteer recorded its story in detail and no trace of its existence has been found in the registries of deeds. Specimens of notes, however, preserved in our museums bear witness to its actual existence.

## MERCHANTS' NOTES ATTACKED

In 1736, a pamphlet was published bearing the title "The melancholy state of the province considered in a letter from a gentleman in Boston to his friend in the country. Printed in the year 1736." This tract was evidently written while the assembly was discussing the question whether special legislation was necessary to drive the Merchants' notes out of circulation and while they were deliberating whether it was desirable to make compulsory provision for the redemption of the notes. The tone of the discussion was hostile to the merchants but the whole matter was dropped in the spring of 1736, by which time it is probable that there was none of the notes in circulation. The question must have been settled by the time that the

pamphlet appeared, but the author at least had the satisfaction of putting in print an attack on the merchants who had emitted the notes, whom he charged with being instrumental in causing the premium which, through the rise in silver, they naturally bore. He could not understand why laws could not be passed making it possible to settle obligations drawn payable in Merchants' notes with ordinary bills of public credit.

#### PLAN FOR NEW FORM OF NOTES

Another pamphlet was published the same year which was entitled "A letter to a member of the honourable house of representatives on the present state of the bills of credit. Boston. Printed in the year 1736." The author advocated the emission of new bills of public credit, through which he hoped that resumption of specie payments might be facilitated. The value of the new bills was to be expressed in a fixed rate of silver. They were to be loaned to persons who would agree to pay off the loans in silver or gold in ten annual instalments. The bills were to have the legal tender function and their redemption, one half coin and one half new bills, was to begin at the end of five years. To make the plan effective it was proposed to forbid the circulation of the bills of other governments. It is quite probable that this pamphlet was from the pen of Governor Hutchinson, then a young man just entering political life, and the plan proposed was practically the same as one reported to the council by the father of the governor in November, 1734.



The proponents of the doctrine that land furnished a better basis for a bank than money found an advocate of their theory in the author of a pamphlet published in 1737, entitled "A proposal to supply the trade with a medium of exchange, and to sink the bills of other governments. Boston, Printed in the year 1737," whose method of sinking the bills of other governments was for the partners in the bank to discredit them.

#### OLD AND NEW TENOR NOTES

This pamphlet came out about the same time that an emission of bills of public credit of a new tenor, stating the value in silver at a fixed rate, was put upon the market. From that date all bills in which, following the phraseology of the bills originally emitted by the colony, the value was defined in the words "This Bill . . . shall be in value equal to money" were known as "old tenor" bills. On the other hand the new bills were immediately dubbed "new tenor," and thereafter all bills in which the value was expressed in silver at a fixed rate were classified under this generic title. There were, however, in the course of events three forms of these new tenor bills and they came to have special designations, being severally known as "first new tenor," "second new tenor," and "third new tenor" in the order of their respective emissions. The new tenor firsts had their value defined in ounces or fractions of ounces of silver at the rate of 6s. 8d. per ounce, or in a proportionate amount of gold. The ratio of the relative prices of the two metals as given in the bill was one to fourteen and seven-

tenths. Each bill was a legal tender to the extent of its denominational value and if outstanding after December 31, 1742, its redemption in silver by the province was pledged. In the tax-levies and in ordinary payments it was ordered that these bills should be received on the basis of one of the new issue for three of the old. Christened at first simply "new tenor," the bills after the emission of a second form of the new tenor bills were for a short time called "middle tenor" bills and in view of their relative value to old tenor bills in payments to the treasurer, were sometimes called "three-fold tenor."

It is obvious that the attempt to float a currency having for its base as a unit the ounce of silver valued at 6s. 8d. must have encountered serious trouble. There was no bill below the twenty shilling bill, the value of which was expressed in shillings alone. The ounce was 6s. 8d., the half ounce 3s. 4d., and so on. In January, 1742, the second set of bills of the new form was emitted, still based upon silver valued at 6s. 8d. per ounce, but the difficulty referred to above was overcome by substituting the shilling for the ounce as the unit upon which the denominational values were based, the representative weights at this price being expressed upon the face of the bill. These bills were by law made receivable in all transactions on the basis of one for four of old tenor. Owing to the redemption clause in the act of emission of the first new tenors, the bills emitted under this act all disappeared, leaving the seconds in circulation. The seconds later acquired the title "middle tenor," through the emission in June, 1744, of a third set of bills of the new form which have been spoken of indifferently by writers as the "third new tenor" or the "last tenor" bills.

The ratio of these new bills to old tenor remained one to four, but the silver price was changed to 7*s.* 6*d.* per ounce. This necessitated a change in the weights of silver in the several bills, and also, in order to preserve the ratio of silver to gold, a change in the price of gold expressed on the face of the bill. In 1750, during the process of redemption of outstanding bills, and resumption of specie payments, a moderate quantity of small bills, in the nature of fractional currency, were issued. They were of little importance, but are sometimes referred to by writers.

This detailed statement of the several species of bills emitted during this period has carried us far in advance of the date of the last publication which we had under consideration. It may, indeed, at first sight seem to have been unnecessary, but the fact is that these various emissions are referred to and discussed in the pamphlets which are about to be mentioned, and one may at any time meet with statements on their pages the full comprehension of which depends upon some knowledge of what constituted the differences in these various bills. The several emissions of paper money with which we are dealing may be classified under the different tenors which have been described, with the exception that in 1722 the disappearance of the copper coins left the inhabitants of the province without small change, there having been no small bills emitted theretofore, and at that time a few parchment tokens were put forth which temporarily served their purpose but were ultimately supplanted by a fractional currency regularly emitted in connection with bills of public credit.

## RENEWED ATTEMPTS AT RESUMPTION

It has been said that in 1729, again in 1731, and still again in 1734 ineffectual efforts were put forth to secure emissions of bills of public credit, on which the value should be stated in silver at a fixed rate per ounce, which bills should be loaned to subscribers who should agree to pay back their loans by instalments in coin. The new tenor bills incorporated so much of this plan as was involved in the fixed rate per ounce of silver, but these bills were regularly emitted by the province for current expenses and were not put out on subscription loans. Their legal tender function and the provision that they should be received in all payments on the basis of one for three or four of old tenor, as the case might be, caused them to circulate freely on these ratios, and it is to be presumed that it was the success of the first new tenor notes which revived the hopes of the hard money men about this time and caused them to exert renewed efforts for a subscription loan to be repaid by the subscribers in coin. It was proposed in 1738 that £60,000 of bills declared to be in value equal to silver coin at the rate of six shillings and eight pence the ounce and gold coin at the rate of four pounds eighteen shillings the ounce Troy weight, should be loaned for ten years to subscribers who would agree to pay annually for ten years £105 in silver or gold coin for each £1000 in bills borrowed, the whole scheme to fail unless £30,000 were subscribed.

For a time the promoters of this scheme for resuming specie payments were hopeful of success, but the limit of the subscriptions that could be obtained seemed to have been reached when about two thirds of the necessary

amount had been secured. Undismayed by their failure, the hard money men attacked the subject again the next year, but this time were compelled to abandon it altogether, convinced, when less than one half of the sum required had been subscribed, that success was impossible. While the scheme was under consideration it was vigorously attacked in a pamphlet entitled "Some observations on the scheme projected for emitting £60,000 in bills of a new tenor to be redeemed with silver and gold, showing the various operations of these bills, and their tendency to hurt the publick interest. In a letter from a merchant in Boston to his friend in the country. Boston. 1738." There can be but little doubt that the author of this pamphlet was Hugh Vance or Vans, as the name is often spelled.

#### DR. DOUGLASS TAKES A HAND

This brought forth a reply from Dr. William Douglass, a pronounced hard money man, who was opposed to large emissions of bills of public credit, who thought the legal tender function of the bills worked badly, and who believed that a paper credit might be founded upon a silver specie basis, but private bills would probably work better than public bills. His main conclusion was that relief was to be found in a forced reduction of the bills in circulation. The pamphlet of Dr. Douglass was entitled "An essay concerning silver and paper currencies, more especially with regard to the British colonies in New England. Boston." The association of Douglass's name with a later and more vigorous pamphlet has tended to obscure the merits of this earlier production.

## THE ASSEMBLY CALLS FOR HELP

By 1739, Governor Belcher's continuous efforts to carry out the royal instructions relative to the contraction of the currency had brought about such a reduction of the bills of public credit of Massachusetts Bay that the people were restless and the legislators ready to resort to any step to remedy the situation. Notwithstanding this reduction in the circulating medium furnished by the province, silver had advanced to twenty-seven shillings an ounce. Rhode Island had followed up the £104,000 emitted in 1733 with £100,000 in 1738, and Connecticut had joined in the fray, thus maintaining, and probably increasing, the amount of bills actually in circulation in the province of Massachusetts Bay. These outside bills were not legal tenders in Massachusetts and were not receivable there in payment of taxes and other government dues, but the function that they exercised in contributing to the perplexities of the situation was realized by many, and propositions to secure legislation prohibiting their circulation within the province cropped out from time to time. Public opinion as to what was needed was not, however, sharply defined, and in the year 1739, the assembly appointed a committee which was authorized to receive during the recess of the court any schemes or proposals from any persons whomsoever for furnishing a further medium of trade in such a way and manner as that the value thereof might be maintained. In response to this John Read, a Boston merchant and a hard money man, proposed a plan for depositing a fund of silver and then emitting four times as much in bills, these bills to be loaned out at five per cent. interest payable in silver, the

silver that thus came in as interest was to be retained and a corresponding amount in bills was to be destroyed. Thus a fund of silver would be accumulated.

Richard Fry, an Englishman who had come over here to take charge of a paper mill, and who was then held in Boston jail, a prisoner for debt, encouraged by the latitude of the appeal, presented a memorial dated at Boston jail, in which he advocated a currency which should serve until gold and silver could be introduced. This memorial he caused to be printed. It was entitled "A scheme for a paper currency."

#### THE DISCOURSE

Douglass's essay was followed by the publication, according to Sabin, in London, conjecturally in 1739, of a pamphlet by the same author entitled "A discourse concerning the currencies of the British plantations in America. Especially with regard to their paper money: More particularly in relation to the province of Massachusetts Bay in New England." This pamphlet is by far the most noted of any that appeared in the currency discussion. It was printed, or reprinted in Boston in 1740, in London in 1751, and again in 1857, and was reprinted by the American Economic Association in "Economic Studies" in 1897. In the Boston edition for the first time appeared a postscript which was really of a later date, and will be referred to in its proper chronological sequence. The pamphlet represented the views of a hard money man and contained much information.

## A NEW PLAN

A curious proposition was submitted in 1740 in a pamphlet entitled "A letter relating to a medium of trade, in the province of the Massachusetts Bay. Boston, 1740." The plan suggested involved the emission of joint notes by the province and a company of merchants. The notes were to be furnished to the company by the province; were to be valued in silver at twenty shillings an ounce; and were to be paid off in ten annual instalments in silver. The author conceived apparently of a mixed public and private bank.

## THE LAND BANK AND THE SILVER BANK

Still another scheme submitted in response to the appeal of the committee of the general court, was one based upon the Land Bank outlined by John Colman in 1720 in "The distressed state of the town of Boston once more Considered." The original plan of a company which should emit bills to subscribers on adequate land security, was amended after discussion and a form of bill was adopted which expressed the value in silver at six shillings eight pence per ounce. The bill was not, however, payable until twenty years after date, and then it might be redeemed in the produce or manufactures enumerated in the scheme of the bank. It will be recognized at once that this last suggestion was probably derived from "Some proposals to benefit the province," a pamphlet published in 1720, which has already been described. The articles enumerated in the scheme were like those mentioned in that pamphlet, such as "would prevent importation or that was good for exporta-



tion," the underlying idea being to encourage home industry. The subscribers to the scheme simply agreed to borrow from the company the amount of their subscriptions in bills of the company and to receive the bills in all payments, trade and business.

Bearing in mind the condition of the province which had led the assembly to call for plans of relief of any sort from any person whomsoever, it will be realized that Colman's opportunity had come. His Land Bank was converted through the clause in the bills authorizing their payment in certain articles of produce or manufacture into a scheme for encouraging home industry as well as a bank of issue on land security and became known as the Land Bank and Manufactory Scheme. Under that title subscription papers were spread broadside over the province and hundreds of persons, scattered through the rural districts hastened to avail themselves of what they believed would prove to be a relief from the burdens of the situation.

The activity of the agents of the Land Bank and Manufactory Scheme aroused the Boston merchants. They foresaw that with so great a following there was a great probability of the Land Bank actually entering upon its work of furnishing a circulating medium of its own, either as a corporate company, or if they could not secure that recognition, then as a mere partnership arrangement. To offset the influence of the Land Bank and to check if possible its growing popularity, they organized a counter company which was known as the Silver Bank. Subscribers to this company agreed not to receive in their business transactions the bills of the Land Bank, and also not to receive those of the neighboring governments unless redeemable in silver

and gold. They proposed to emit a form of note which they agreed to receive amongst themselves. The denominational values were defined on the face of the notes in weights of silver as well as in shillings, and during the year 1741, the subscribers and the company agreed to receive the notes on the basis of twenty-eight shillings four pence for an ounce of silver. The rate at which they would be received in 1742 was twenty-seven shillings nine pence an ounce; in 1743 at twenty-seven shillings two pence an ounce and so on with an annual reduction of seven pence per ounce until the fourteenth year, when the reduction was eight pence. So also the reduction on the fifteenth year was eight pence, when by the terms of these annual reductions the price of silver was brought to twenty shillings per ounce. The scheme did not contemplate a longer continuance of the company.

The managers of both the Land Bank and the Silver Bank in the summer of 1740 petitioned the governor and council for incorporation. The supporters of the Silver Bank found a strong friend in the governor, who used his influence in their behalf, and who frowned upon the Land Bank, but incorporation was refused to both companies. Meantime the excitement caused by the discussion had led to the election of a house of representatives in which the friends of the Land Bank were in the majority. Both companies proceeded with their organization, and in the fall of 1740 both companies emitted bills or notes.

The whole power of the government, or rather of the executive department of the government, was then put in force to check the progress of the Land Bank. Proclamations were issued warning people against the bills, and

orders were promulgated to employees of the government of every description prohibiting them from receiving or passing them. This arbitrary and aggressive policy stirred up the people without accomplishing the object towards which it was directed, and ultimately the closure of the Land Bank was effected only through parliamentary interference. The Silver Bank perished with the Land Bank, its organization being equally objectionable under the terms of the act of parliament, but its death caused no disturbance. The main reason for its existence ceased when the Land Bank was closed and its affairs had been so managed that it was not difficult to wind it up. The Land Bank, on the contrary, with its widely extended interests, could not be so easily wiped out, and for many years its affairs perplexed the assembly and the courts, and the memory of the injuries inflicted through the medium of the parliamentary legislation survived long after the closure of its affairs. It is not possible to go into details here upon this subject, but the various pamphlets of the period refer to the notes and bills which were then emitted; to the conflict between the government and the Land Bank; to the efforts of people in several places to establish local Land Banks; and if what has been said is not adequate to explain fully to the reader the meaning of the allusions, it will at least suggest to him the field of historical literature in which he should look for a more complete explanation.

#### FRESH ACTIVITY AMONG THE PAMPHLETEERS

The year 1740 was not only a year of excitement and agitation throughout the province, in consequence of the

direct appeal made to individuals by the canvassers of the Land Bank, but it was also one of pronounced activity among the pamphleteers. We have already had the title of two pamphlets this year. Besides the "Letter relating to a medium of trade etc." there was another Letter published this summer, the date being Boston June 10, 1740. The author praised the Land Bank, gave a description of the manner in which it was founded, and laid great stress upon the numbers interested in its success. He believed that the bills would be good in the hands of holders. His pamphlet was entitled "A letter from a country gentleman in Boston to his friend in the country." Both of these pamphlets were comparatively insignificant productions and were entirely eclipsed by the publication in Boston in 1740 of what has already been denominated the most noted of the many pamphlets that appeared during this discussion of the currency question. This was the pamphlet known as Douglass's "Discourse," etc., which was printed in Boston in 1740, and in London about the same time.

When Douglass's "Essay concerning silver and paper currencies" was published, it impelled a writer to prepare a pamphlet entitled "An inquiry into the nature and uses of money; more especially of the bills of publick credit, old tenor. Together with a proposal of some proper relief in the present exigence. To which is added a reply to the essay concerning silver and paper curreneces Boston. 1740." This was written by the author of "Some observations on the scheme projected for emitting £60,000," etc., the pamphlet to which Dr. Douglass's "Essay," etc., was a reply and the author was a Boston merchant named Hugh Vance. The writer proceeds with his "Inquiry" and then submits

as a remedy a scheme for the emission of bills by undertakers who should give sufficient security and should agree to receive them. The bills were to be lent out on good security and the bank was to accept silver in payment but to take no other bills but its own. Following the inquiry and the scheme in this pamphlet come some "Remarks on the essay concerning silver and paper currencies," etc., in which the "Essay" is discussed paragraph by paragraph. The author was so deliberate in his preparation of the "Inquiry" that before it was published he met with the "Discourse" and felt compelled to include in the same publication a review of the doctrines therein promulgated. He therefore added a postscript which is appended to the "Inquiry" with continuous pagination and which opens as follows: "While the foregoing was in Press, the Publick has been offered *A Discourse concerning the currencies &c.* I presume by the Author of the *Essay*, and upon the same Plan, but I think with no great Improvement in Point of Reasoning." This sufficiently indicates the nature of the contents of the postscript, pages sixty-four to seventy-eight inclusive.

In the "Discourse" Douglass had referred to the Land Bank and the Silver Bank, then in their incipient stages. He there called the Land Bank "*The Bubble of 450,000*l.* upon Land and Produce*, which fills by Subscriptions a great Pace." The Silver Bank he defined as a "Scheme for emitting Company Notes or *Bills*, to be paid every 15 years, with Silver at 20*s.*" which he thought bade fair to be of the greatest service to the province. Meantime both banks had gone ahead, and we should naturally expect to find in any new publication by him at this time some further discussion of the merits of the two schemes. It is surprising therefore

to find that a postscript to the "Discourse" was published immediately following the appearance of the "Inquiry," an examination of which will show that such expectations cannot be realized. The author opens his postscript with a reference to the "Discourse," the publication of which he says was soon followed by "a Pamphlet called *An Enquiry &c. in Favour of Paper Currencies*, consisting of a new Kind or Set of Arguments in *Abstracto* (as the School's Term is) without any Regard to Matter of Fact, but supported with Mobbish Hints such as," etc. The "Inquiry" is the sole cause for the postscript and to it alone Douglass directed his attention. The postscript must have been published some months after the original publication of the "Discourse," but it is entitled "Postscript, To a Discourse concerning the Currencies of the British Plantations in *America*," and is printed with continuous pagination of the "Discourse," that is to say, of the Boston edition, 1740. Few copies of the "Discourse" have the postscript.

#### THE LAND BANK DISCUSSION

If Dr. Douglass held himself in reserve in the Postscript as to the relative merits of the banks it was not because he proposed to spare the Land Bank. On the contrary, he took a hand in the pamphlet warfare of 1741, in which the currency question was discussed by controversialists in bad temper and violent language, some favoring the one and some the other plan for relief. Among these controversialists none could rival Dr. Douglass in outspoken contempt for those who ventured to differ from him. None could exceed him in denunciations of that to which he was opposed. He

directly attacked the Land Bank in a pamphlet bearing the following title: "A letter to — —, merchant in London, concerning the late combination in the province of the Massachusetts Bay in New England, to impose or force a currency called Land Bank money. Published for the public good, 1741." He declared the bank to be a sham, with no stock in the treasury and the promise to accept the bills for stock in the treasury an arrant bubble. He said that while elsewhere banks were managed by opulent and honest men, here, the indigent, the debtors and the fraudulent set up for bankers and their managers spirit the people to mutiny, sedition and riot. The "Letter to — —, merchant in London" was dated "February 21, 1740-41," and brought forth an immediate reply entitled "A letter to the merchant in London to whom is directed a printed letter relating to the Manufactory Undertaking, dated New-England, Boston, February 21st, 1740-1. Printed for the public good, 1741." This bore date "Boston, Febr. 27th, 1740-1." and contained a postscript. The author defended the character of the subscribers to the Land Bank, called attention to the great number of civil and military appointees who had resigned their commissions rather than obey the injunctions of the governor, and asserted that the bills were in general use notwithstanding the opposition to them.

On the thirty-first of March, 1741, Douglass again entered the contest, this time with "A second letter to — —, merchant in London, concerning the late combination in the province of the Massachusetts Bay in New England, to impose or force a private currency called Land Bank money." He repeats many of the assertions that he had previously made and refers to rumors already current of

disastrous speculations on the part of the managers of the Land Bank. The New Hampshire notes, to which his opponents had alluded, he declares to have died a natural death in infancy, the undertakers having refused to receive them in payments.

In 1741, a pamphlet appeared in London written by an admirer of Douglass and evidently inspired by the "Discourse," the purpose of which was to influence parliamentary legislation against the paper money in use in the colonies. The author asserts that if he had the power he would invite Douglass to England to present his views at the next meeting of parliament. The title of the pamphlet was "Observations occasioned by reading a pamphlet entitled, A discourse concerning the currencies of the British plantations in America in a letter to — —. London. 1741."

#### A NEW GOVERNOR IN MASSACHUSETTS

In August, 1741, Shirley succeeded Belcher as governor of Massachusetts Bay. Under Belcher's administration the quantity of the bills emitted by the province which remained in circulation had been reduced to such an extent that their par value did not represent the amount required in coin for the trade of the province. Yet silver continued to rise and the bills of the neighboring governments still circulated in the province notwithstanding the fact that in January 1738-9 their currency had been prohibited. The circulation of these bills together with that of the bills of the Land Bank and the bills of the Silver Bank which had not yet entirely disappeared, furnished an adequate explanation of



the cause. The last act of Belcher in relation to the currency was to violate his record and approve a bill for the emission of £80,000 old tenor, in order to promote enlistments for an expedition under Admiral Vernon against the Spanish West Indies. This approval practically marked the cessation of the rigid application of the policy of contraction.

Shirley was exempt from the personal hostility which had hampered Belcher at every turn, a hostility originally provoked by his continuous efforts to bring about a contraction of the currency and aggravated with a large part of the community by his violent efforts to prevent the circulation of the Land Bank bills. The new governor was, therefore, able to bring about what would have been impossible for Belcher, the quiet acceptance of the parliamentary legislation specially directed against banks of emission in the colonies, and an agreement on the part of the directors of the Land Bank to close that institution. He was able also to secure legislation which was helpful in the adjustment of debts. Ever since 1712 the old tenor bills had retained by means of a series of temporary acts, the legal tender function. The last of these acts was just about to expire. The purpose of the legal tender act was expressed in its title "An act for the relief of and to prevent oppression to debtors." In practical operation, debtors had through the constant depreciation of the currency, been able to pay off their debts in bills which were worth less when the payments were made than they were worth when the obligations were contracted. Shirley described the legislation which was substituted for the "Act for the relief," etc., as an "Act for securing to creditors the full value of their outstanding debts for the future by making an allowance for the depreciation

of the bills between the time of contracting the debt and the time of payment." As far back as 1727 an abortive act had been introduced, in which a table of the price of silver in bills of public credit, ranging from eight shillings in 1710 to sixteen shillings in 1727, was introduced. From the title of the act we ascertain that its purpose was to determine the value of bills of public credit and to render the payment of debts more equitable and thereby prevent any oppression or injury to debtors and creditors. No action was then taken and no other action than the maintenance of the legal tender function of the old tenor bills was afterward taken until the passage of Shirley's act which he described as securing to creditors for the future the full value of their outstanding debts. The underlying feature of the act was an attempt to secure payments on the basis of the silver price at the date of the contract. This required an official valuation of the price of silver from day to day, a proceeding which was attended with much confusion and differences of opinion, with the result that the courts must have found the administration of the law full of perplexity. Amendments to the act soon began and at a later date after the enormous emissions of bills to cover the expenses of the Louisburg expedition, new laws were passed for the adjustment of debts in which the assembly arbitrarily fixed percentages of depreciation, covering specific periods for the adjustment of debts incurred during these periods.

#### DISCUSSION OF THE CURRENCY ITSELF

The pamphlet discussion relating to currency matters at this time was mainly devoted to the currency itself. There

was no longer any question as to private and public banks. In 1743 there appeared a pamphlet entitled "An enquiry into the state of the bills of credit of the province of Massachusetts Bay in a letter from a gentleman in Boston to a merchant in London. Printed in the year 1743." The author was familiar with his subject and contributed much valuable information thereon. He gives the exact amount loaned to the Boston merchants at the time of the Quebec expedition of 1711; furnishes the amount of bills outstanding at certain periods; criticises intelligently some of the features of the different new tenor bills; calls attention to the evident distrust of these promises on the part of the public; and furnishes a table of the silver price and rate of exchange from 1711 to 1730.

In 1744, there was published "An account of the rise, progress and consequences of the two late schemes commonly called the Land Bank or Manufactory Scheme, and the Silver Scheme, in the province of the Massachusetts Bay, wherein the conduct of the late and present G— during their Ad—ns is occasionally consider'd and compar'd. In a Letter from a gentleman in Boston, to his friend in London. Printed in the year 1744." This gives an account of the two banks in narrative form.

There also appeared in 1744, "A Letter from a gentleman in Boston to his friend in Connecticut. Boston, 1744." The pamphlet was a protest against the inclusion of Massachusetts and Connecticut in the denunciations caused by excessive emissions of Rhode Island. It was written just before the enormous expansion in Massachusetts caused by the Cape Breton expedition and at the time when it was written, a law had recently been passed prohibiting the cir-

culatation in the province of the Massachusetts Bay of certain emissions of other governments.

### THE GREAT INFLATION

The emissions which were made to cover the expenses of the Louisburg expedition were begun in February 1744-45. The capture of Louisburg placed the province in position to claim reimbursement for the heavy expenditures made in behalf of the expedition and the deplorable condition of the circulating medium of the province compelled recognition on the part of parliament. From a little over £300,000 of bills of public credit in circulation in 1744 the amount outstanding had increased in 1746 to nearly £1,500,000. Following this came an appeal from the Duke of Newcastle for aid in a Canada expedition, with promises of reimbursement. The expenditures in this behalf carried the sum of bills in circulation up to between £1,800,000 and £1,900,000 old tenor. Silver rose to above sixty shillings an ounce. Exchange on London was from 1100 to 1200 and financial affairs in general were in chaos. These events succeeded each other with great rapidity. It was impossible to measure values during this period, but there was some alleviation to the situation through the fact that great confidence was felt that the expenditures in behalf of the Louisburg expedition would be reimbursed by parliament, and this confidence was confirmed by a report of the agent at London in April, 1748, that the house of commons had resolved that the reimbursement was reasonable.

## HOW SHOULD THE REIMBURSEMENT BE APPLIED

What should be done with the money when it should be paid to the province at once became the subject of discussion, not only in the assembly, but also in the press. Even before it was known absolutely that the reimbursement would be made, a correspondent of the Independent Advertiser had on the twenty-eighth of March advocated the use of the money for resumption. This led to the publication of "A word in season to all true lovers of their liberty and their country; both of which are now in the utmost danger of being forever lost. By Mylo Freeman. Boston 1748." The writer thought that instead of bringing the money over and using it as a fund for resuming specie payments, it would be better to keep it "forever in the Bank of England, as the government's fund and bottom, and to have the interest thereof only drawn for yearly by the government; which interest will amount to about eighty thousand pounds (as our money now stands) yearly, and so every year sink and burn eighty thousand pounds of our paper bills."

The situation at that time was reviewed by a writer of some ability in "A brief account of the rise, progress and present state of the paper currency of New England. Boston 1749."

The conclusion of the assembly to apply the reimbursement money for the redemption of the outstanding currency was reached in January 1748-49, the money not then being in the province, and the act then passed, being entirely prospective in operation. Resumption was to begin April 1, 1750 after which all persons were forbidden to take or pay any bills of credit of either of the neighboring governments. This

left very little for the pamphleteers to discuss, but the outflow of pamphlets was not thereby stopped. In 1750 there appeared one entitled "Some observations relating to the present circumstances of the province of the Massachusetts Bay; humbly offered to the consideration of the general assembly. Boston. 1750." The net amount of the coin received for the reimbursement of the Louisburg expenditures was, after all charges were paid, a little over £175,000 sterling. The author says, "But taking it for granted that we were £100,000 sterling in debt, yet it would be no great misfortune; for we have at this time £2,000,000 old tenor in silver in the province, and supposing we should discharge that £100,000 with a part of it, yet we should have £800,000 O. T. remaining for a medium amongst us, at the lowest computation, which sum is allowed by those who are well acquainted with the course of our trade to be fully sufficient to answer the purpose of a medium." It is difficult to tell just what he meant, but if his proposition was that the silver representing the £800,000 O. T. was enough for the trade of the province, then we can test his proposition. The £100,000 sterling was equal to £133,333 New England currency. If this was the equivalent of £1,200,000 old tenor, his ratio was one to nine, and if he meant that the £75,000 sterling or £83,333 New England currency, which apparently would represent the £800,000 old tenor, was enough for a circulating medium for the province, he was probably mistaken.

The republication of the pamphlet literature of this period, if we confine ourselves to the period extending from the first emission to the practical resumption of specie payments, should be closed with "Massachusetts in agony: or important hints to the inhabitants of the province: calling aloud

for justice to be done to the oppressed; and avert the impending wrath over the oppressors. By Vincent Centinel, Boston, 1750," a treatise devoted to the discussion of the method of application of the reimbursement fund. The author would retain the silver in the province treasury; would pay current expenses in coin; and would levy taxes in silver. He proposed that a bounty should be granted to every young couple who should lawfully marry and settle in the province, and that a reward of twenty pounds should be paid to them on the day after their first male child was christened. He did not object to the circulation of the bills of neighboring governments if at a discount.

It will be observed that this pamphlet was published at least a year after the passage of the "Act for drawing in the bills of credit," etc., by the general court of the province of Massachusetts Bay. While this legislation committed the province to a distinct course of action, it must be remembered that the redemptions under the act were not to begin until April first, 1750. It would seem, therefore, that this publication must have been issued before that date. So far as Massachusetts Bay was concerned the episode was now concluded. This was not, however, the case with the other colonies. It is possible that it may be concluded to add to this series one or two pamphlets more, a year or two later in date, but it is not essential to determine this question now.

This review of the pamphlet literature bearing upon the currency question of this period discloses the fact that nearly all the publications were from the Boston press. The Massachusetts experience was unique. Here in 1690 began the emission by the government of what was perhaps the first denominational governmental paper money in the world,

with the exception of an experience three hundred years before in China, unless we should admit Meules's playing card money or some of the siege money of history to that honor. Then followed the acceptance of a paper currency by the people; its adoption by the province; its expansion, the efforts to restrain which were rendered futile by the influx of the bills of other colonies; and finally, the expenditures for the Louisburg expedition, which bankrupted the province. Then came the reimbursement for the expenditures in the Louisburg campaign and the application of the money as a substitute for the currency then in circulation. Following this came prosperity. The province as a whole gained by the arbitrary manner in which specie payments were resumed. Massachusetts was, however, alone in this opportunity.

#### RESEARCHES WHICH HAVE SERVED AS AUTHORITIES

It will have been observed that what has preceded is practically without specific reference to authorities. The reason for this is that the writer has relied mainly upon works written by himself for the statements made. These works, whether in the form of published volumes or papers communicated to learned societies, contain references by volume and page to the archives, the records, and to other sources of authority. Among these the one principally resorted to was "Currency and Banking in the province of the Massachusetts Bay," which appeared in 1901, under the auspices of the American Economic Association as one of the publications of that society. The story of the Fund as told in that publication is incomplete, owing to discoveries since 1901 of contributory material. What has



since been learned about this experiment at banking will be found in "The Fund at Boston in New England," a paper read before the American Antiquarian Society, April 29, 1903, and published in the proceedings of that society, as well as in separate form. The existence of the "Discourse in explanation of the bank of credit," was not known in 1901. My attention was called to it in 1903 and a paper treating of it was published in the Proceedings of the Massachusetts Historical Society, December 1903 and was separately printed under title "The prospectus of Blackwell's Bank, 1687." The story of the alteration of the London pamphlet of 1688 entitled "A model for erecting a bank of credit with a discourse in explanation thereof," etc., is also new and is told in a communication to the American Antiquarian Society published in the eighteenth volume of the Proceedings and separately printed under title of "Was it Andros?" The account given in "Currency and Banking" of the Merchants' notes of 1733, was correct as far as it went, but in 1903 a fuller and more detailed account of the organization of the merchants and their experiences in emitting these notes was given in a paper read at the April meeting of the Massachusetts Historical Society that year, and separately published under title of "The Merchants' notes of 1733." This was based upon newspaper material which had not previously been made use of. To these papers one must turn for fuller information upon the points covered than can be found in "Currency and Banking."

During the time that the researches were being made which furnished the material included in the two volumes of "Currency and Banking," several communications on topical subjects were from time to time made by me to

the American Antiquarian Society, the Colonial Society of Massachusetts, the Massachusetts Historical Society, and to the American Academy of Arts and Sciences. Besides these a few appeared in serial publications. When the text for "Currency and Banking" was prepared, use was made of those papers and as far as was possible the information contained in them was incorporated in the larger publication. It was not possible, however, to give all their contents room and it was entirely out of the question to furnish all the references to sources of authority with which the several papers were fortified. It seems, therefore, proper to refer the reader to those papers for the details and the references which are not included in the pages of "Currency and Banking." All of the papers whose titles are given below are reprints, and the date given is the date of the reprint, but all of them will be found in the proceedings of the several societies or in the volumes of the serial publications of the respective dates.

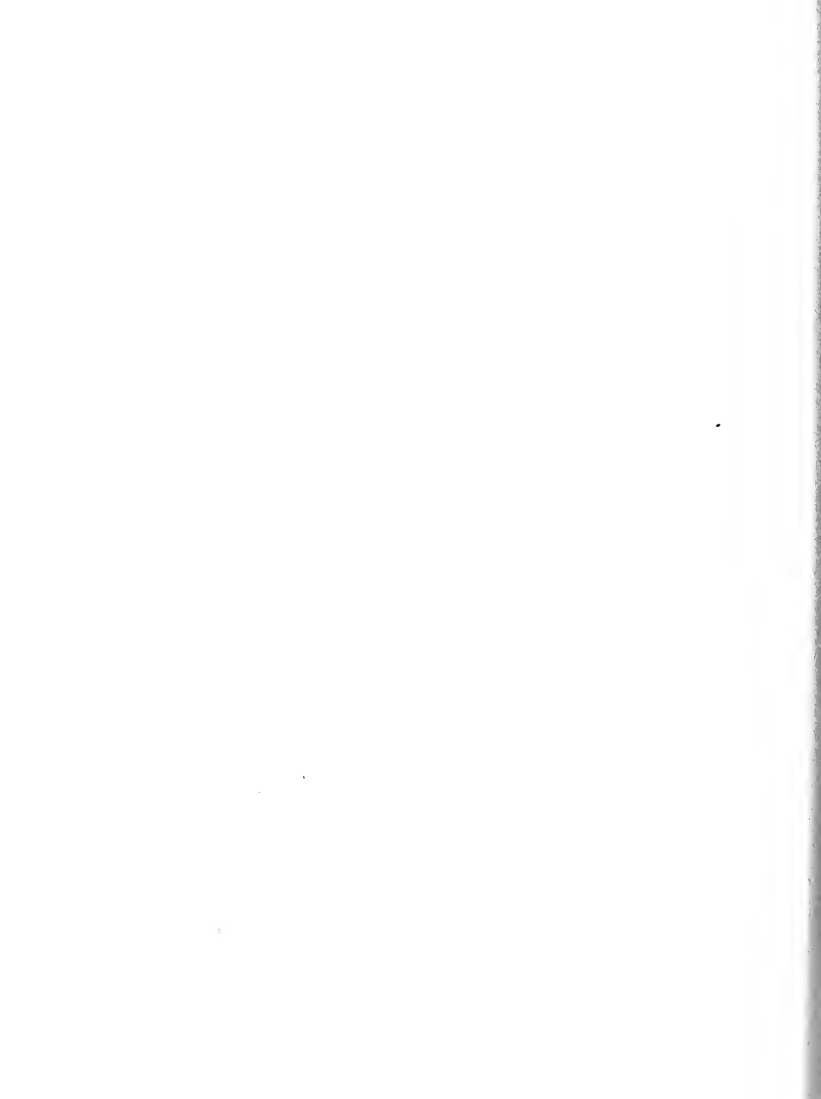
Provincial Banks, Land and Silver	Reprint 1895	Col. Soc. of Mass. Vol. III. Jan. 1895
Legislation and Litigation connected with the Land Bank of 1740	„ 1896	Am. Ant. Soc. Vol. XI. N.S. April 1896
Currency Discussion in Massachusetts in the Eighteenth Century	„ 1897	Quarterly Journal of Economics Vol. XI. Oct. 1896 & Jan. 1897
The General Court and Land Bank Litigants	„ 1897	Am. Ant. Soc. Vol. XI. N.S. April 1897
Certain Considerations concerning the Coinage of the Colony and the Public Bills of Credit of the Province of the Massachusetts Bay	„ 1898	Am. Ac. Arts & Sciences Vol. XXXIII. June 1897

A Connecticut Land Bank of the Eighteenth Century	„	1898	Quarterly Journal of Economics Vol. XIII. Oct. 1898. Also Col. Soc. of Mass. Vol. V. Jan. 1898
The Massachusetts Bay Currency, 1690-1750	„	1899	Am. Ant. Soc. Vol. XII. N. S. Oct. 1898
A Search for a Pamphlet by Governor Hutchinson	„	1899	Mass. Hist. Soc. Vol. XIII. 2d S. Feb. 1899
Certain Additional Notes touching upon . . . and of the Massachusetts Currency	„	1899	Am. Ant. Soc. Vol. XIII. N. S. April 1899
The Currency and Provincial Politics	„	1900	Col. Soc. of Mass. Vol. VI. April 1899
Occult Methods of protecting the Currency. Sewall's Mnemonic lines and their Interpretation	„	1900	Mass. Hist. Soc. Vol. XIII. 2d S. Dec. 1899
Previous Legislation a corrective for Colonial troubles	„	1900	Col. Soc. of Mass. Vol. VI. March 1900
Andros's Proclamation Money	„	1900	Am. Ant. Soc. Vol. XIII. N. S. April 1900
Lawful Money	„	1903	N.E. Hist. Gen. Reg. April 1903
Boston Banks, 1681-1740. Those who were interested in them	„	1903	N.E. Hist. Gen. Reg. July 1903
New Hampshire Notes, 1735. Those who were interested in them	„	1903	N.E. Hist. Gen. Reg. Oct. 1903
The Fund at Boston in New England	„	1904	Quarterly Journal of Economics Feb. 1904. Also Am. Ant. Soc. Vol. XV. N.S. April 1903
Was it Andros ?	„	1907	Am. Ant. Soc. Vol. XVIII. N. S. Oct. 1907

In conclusion, a word ought perhaps to be said as to the methods adopted in these reproductions. The effort has been made to place them before the reader in the precise form in which they were originally published. The spelling, capitalization, punctuation and italics have been preserved. Every attempt on the part of the compositor to make conspicuous words or phrases, by change of font, has been recognized and made evident. The original pamphlets being of various sizes, no effort has been made to preserve herein the original pagination, but this has been indicated by Arabic figures in brackets at proper places in the text. The abandonment of the original pagination carries with it the failure to reproduce the catch words at the bottom of the pages. It will be recognized however that this is of no real consequence.

The student who may make use of these reprints will soon notice many minor errors in these pamphlets, which were undoubtedly chargeable to press composition, and which he would not hesitate to correct. In concurrence with the general plan of reproduction, no effort had been made to correct errors however obvious they may be, nor has any attempt been made to call attention to them. It is important that the student should feel that he has before him a perfect copy of the original, which he himself can correct or interpret uninfluenced by others. Except, therefore, so far as human fallibility may have interfered with success, these reprints may be relied upon as accurate.

## REPRINTS





Printed in New-England, by the Author, at Boston, in the  
 Year 1681.

*Severals relating to the*

# FUND

*Printed for divers Reasons, as may appear.*

**T**hat the way of man is not in himself: it is not in man that walketh, to direct his Steps, Is a Truth that all (who are not strangers to themselves) must acknowledge; & in special the Author of this Subject: If it be considered,

1 That he had as little skill in, as inclination to, or need of concerning himself in *merchantile Affairs*: Nor came he into *New-England* with a thought to meddle therewith: as is well known to many. 2 That he should concern himself to promote *Trade* for others, and that in this Land, a place not designed by the first *Planters*, for *Commerce*; being better acquainted with *celestial Dealings*, than the *politics* of *mundane affairs*

3 That he should amongst such a People essay to promote a *Design* not known in the day thereof (if yet) to i in any part of the world (although since in agitation and then surely strange here, where the name of benefit thereby, was hardly heard of. 4 That h







*Severals relating to the*

## F U N D

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**T***hat the way of man is not in himself: it is not in man that walketh, to direct his steps,* Is a Truth that all (who are not strangers to themselves) must acknowledge; & in special the Author of this *Subject*: If it be considered,

1 That he had as little skill in, as inclination to, or need of concerning himself in *mercantile Affairs*: Nor came he into *New-England* with a thought to meddle therewith: as is well known to many. 2 That he should concern himself to promote *Trade* for others, and that in this Land, a place not designed by the first *Planters*, for *Commerce*; being better acquainted with *cælestial Dealings*, than the *polities of mundane affairs*

3 That he should amongst such a People essay to promote a *Designe* not known in the day thereof (if yet) to l[ ] in any part of the world (although since in agitation [ ] and then surely strange here, where the name of [ ] benefit thereby, was hardly heard of. 4 That h[ ] [2] notwithstanding the reproaches cast upon him, & untruths raised & reported of this Thing, stil ap-

pear to justifie & promote the same, and encourage those who are satisfied thereof, and join with him in this his undertaking. The rise of which was as followeth.

About the latter end of the year 1649. an intimate Friend of the Author's in *London*, *Mr. William Potter*, who was likewise no Trader, Imparted to him a Designe for the accomodation of Commerce, in the nature of a *Bank of money*; but to be founded upon *personal Credit*, by a considerable number of able Men Ingaging, as the *Found* thereof, to pass forth Credit; as a medium to enlarge the *Measure of money*, that was known to be too little for the Dealings of that Land: Or by *depositing of Goods*, in the nature of a *Lumber* of Merchandise, to pass out Credit thereon, untill sold. As for a *Fund* to have *Land* (the onely secure Deposit) the dubious & intricat Titles thereof, put a stop to any discourse thereabout. And as for a *Bank of money*, there was in that no certain Security; wofull experience proving them subject to a rupture.

The Author so resented the Notion of his Friend, (the thing being rational, & tending much to the benefit of all men where set on foot) that it became oft times when they met, the common subject of their discourse, in a rotation of Proposals, Objections, and Solutions: Leaving no stone unturn'd, that might fit the designe to comport with that Place. *Mr. Potter* likewise had about that time printed a Book *in folio*, relating to his designe; one whereof he bestowed on the Author, who (upon the report that was given him of the Labyrinth *New-England* was in, for want of a *Conveniency to mete their Trade with*) gave it with good acceptance, to a Kinsman of his that was a Merchant of this Place; the prosperity whereof he was [ ]er to, when not likely

ever to see It. Whether by [ ] Book, or other accident, any motion thereabout [ ]s unknown. But before any thing was brought to [ ] it seems there was; (an account of which shall in [3] its place be given) the Author was called to *Ireland*; where he had more endeavoured the promotion of this thing, than barely to hint it; had not his transient Employ prevented.

*In anno* 1664. His lot being here cast, he soon saw that with his eye, that did affect his heart *i. e.* The *Straits* many were in; the *Time* they consumed, and the *Disadvantages* they were under, by higgling to suit ends: And thereupon imparted to a publick-spirited Merchant, with what ease, & safety their *Measure* might be enlarged: Who likewise being sensible of the need thereof, desired to have in Writing somewhat about the same. Which being done, It was, it seems, imparted to divers, with approbation; and Return made, That somewhat might be done about it in due season: which the author rested satisfied with; in that there lay not now at his door, a Thing concealed, that might tend to the welfare of the Country.

About three years after this (that foregoing being wholly buried) the author accidentally started this Expedient, among divers Country Gentlemen, Yeomen & others; persons not likely to lend an ear to a thing of this nature. Yet so it happened, that to some one, or more of them, the Notion was of estimation: and spread abroad, to the occasioning of several Debates among those who were Considerable, both in *Parts & Purse*: And stopped not, untill the honoured Council heard thereof. But before they took notice of it, One of the Magistrates Imparted the Designe to an experienced Merchant, well Read in the nature of *Banks*, To have

his judgement concerning this. Who Returned, that this *Bank* was so Stated, as left not room for a rational Objection to be made against it In that those Founded on *Money*, had only their defect, of a possibility to *break*; which this Fixed on *Land*, was not capable of. Soon after this, the Author had notice given, that the Council would send speedily for him, about this Concern: & was advised to write somewhat about it, for them. Whereupon, he set upon drawing a second Draught, in the dress of a *Proposal*. The which, before quite write out, a Messenger was [4] sent to call him to them. To whom he presented his (then crude) conceptions, as follows. To which some clauses, and explanations are added: but is the same for substance, with that on *File* in the Records of the General Court.

**A** *Proposal for erecting a FUND of Land; by Authority, or private Persons, in the nature of a Money-Bank; or Merchandise-Lumber, to pass Credit upon, by Book-Entries; or Bills of Exchange, for great Payments: and Change-bills for running Cash. Wherein is demonstrated, First, the necessity of having a Bank, to enlarge the Measure of Dealings in this Land, by shewing the benefit of Money, if enough to mete Trade with; & the disadvantages, when it is otherwise.*

Money is that *One thing*, which, as the *medium* of Trade, (for so *Solomon's* Assertion must necessarily, be understood) *answereth All things*. For where it is in plenty, no *Buyer* will be bound to one Person, or Market; nor purchase Credit at the Grantor's price; nor be necessitated to become Servant to the Lender, if he have Money to answer his occasions; nor will run the hazard of Trusting. Hereby also, the frequent complaints that are made, for want of present

pay, are silenced & persons freed from a multitude of carking cares. It likewise, multiplies Trading; increaseth Manufacture, and Provisions; for domestic use, and foreign Returns; abateth Interest; inciteth to the purchasing of Land, and heighteneth its value; forwards the Improvement both of real, and personal Estates; promoteth the Settling of new Plantations, and maritim Affairs; encourageth heartless Idlers, to Work; redeemeth Time Labour, and Expençe, greatly consumed in higling up and down, to suit Pay to content, abrogateth the mystery of Trucking, by sinking Barter, and reducing all bought, and sold, to the English Standard; hindreth wrangling and vexatious Suits upon Debts contracted for want thereof, to the Scandal of a religious people, as well as the impoverishing of [5] them, and the consuming the time of their Magistrates, that might be better spent about studying the necessary advantages of Trade, and forwarding of Manufacture, to the enriching of them. To which end most civilized Nations set some apart to manage, and is the Loadstone that draweth commodities to the Market, that great conveniency of a people.

On the contrary where *Coin* is scarce,\* all things are, *dear*, & little answereth to content, or free from trouble, and loss. Debts are contracted; dilatory, and shuffling payments made; dexterous Traders retire or (which is worse) deal in Money, the *medium* of Trade; young beginners are checked; good men laid open to temptations, and opportunities given to bad ones, that exact from those who must crave Credit, or cannot make suitable pay.

Trade is stinted at home, and forestalled abroad; Stocks

\* This Clause, with some other Objections & Queries, very lately made; shall receive a full Reply in the next Sheet: if possible.

lye dead; Intrigue accompts, and perplexing Suits made; Merchants, and Shop-keepers, undersell one another; and pitifully help themselves, by beating down Craftsmen: who again, through necessity, underwork others of their occupation; or slight over their work; adulterate Manufacture, and hasten poverty on all. Nor can ever Trade be ballanced, or the advantage of *Fairs* be enjoyed, where Money is wanting. Which *the Cobler of Agawam*, before he Canonized *Pumpion*, was not so *Simple* but understood full well.

*Secondly, That Credit pass'd in Fund, by Book & Bills (as afore) will fully supply the defect of Money. Wherein is related, of how little value Coin, as the Measure of Trade, need be, in it self; what Inconveniences subject to. The worth a Fund-Bill, or Payment therein, is of: & not of that Hazard.*

Although *Cash* be so usefull; yet it is but a ready convenience. Which hath, through mistake, its esteem, not from the use, (which it ought) but Intrinsic value: which is not essential to a thing, meerly good for Exchange; and serving barely [6] to procure what One wants, that another abounds with: and again, to fetch for the last, what he standeth in need of, where to be spared. And this (except here were *Mines*, to transport *bullion*, for foreign Trade) *Bank-Bills*, or payments therein, will effect, to all Intents, as well as plenty of Coin; which, *as money*, doth neither Feed, nor Cloath. Moreover, Treasure, not onely allures an Enemy, and is covetously hoarded up; & so, like dung in a heap, unprofitable: but is also subject to *wear adulterating, (fires, robberies, mistakes, & the like contingencies; which, payments in this Bank, or bills issued thence, are free from: having a Fund, or Deposit in Land; real, dureable, & of secure value.*

And for the *Change-bills*, they may be so contrived, as to be passed with facility; and without counterfeiting. However, so as to prevent; or find out, any Cheat: if the Rules of them be observed.

The other two *Sections* of the *Proposal*, must be pass'd to the *2d Sheet*, pag. 9. It being needful to make a Digression, to give an account of the publishing this undertaking sooner, than intended. In the year 74. divers well-wishers to the *Fund*, did think it fit, to have a Narrative of it Printed. In order whereunto, something was done, in the Method before; *i. e.* the *occasion* of the Subject; and then, the *proceedings* thereon, to that time: but particular business did interpose. In the year 78. the author was importuned to the same thing: which had been done, but that after-thoughts brought him to consider, that so much having been agitated in Publicque, about it; and the probation it had by the Referrees, and honoured Council, as to the *Theory* thereof; the *Press* would hardly print it into the *practic part*: and that the onely way was to set it on foot. For, as *Good Wine needs no bush*; so it was presumed, that if this were but in use, the *Flavour* thereof would invite enou' to, and continue them at it. Which to accomplish, (having by accident, some respite time this year 1681. and accomodated with *Spirit, Purse, & Hand*; the ingredients that must center, as in one, for any considerable undertaking) He did in *Sep*-[7]*tember*, begin to pass forth *Bills*, to make an Experiment of that which had passed the Scrutiny of above 30. years, with approbation; and had rational Grounds to conclude, that it would work it self up into Credit, with discreet men: because *Int'rest will not Lie*. In 6 moneths, a considerable number espoused the Designe; besides those that were concerned, in the years,

*Seventy one, & Seventy two.* Whereupon, it became as a *Galley floating upon the stream of opinion, into which He, & He would thrust an oar.* And some that favoured not the *Designe*, did talk to the discountenance of it: and wanting weighty objections, *let fly broad-sides of Pot-gun-pellets, chained with Fallacies & buffoonry*, to impede this undertaking. Upon this, several, now engaged, think it not fit to be longer silent: but urge the hastening an account of the *Designe*; that the *Reality, Safety, and Benefit* thereof, may appear to all prudent, and unprejudic'd men. And this shall be endeavoured, as time will permit; though not in the mode first intended: Which was, to place all the *Rules* relating to the *Fund*, at the end of the *Narrative*; and then the *Debates* that are carried on, concerning *Commerce*. Which will now fall in mixt and this *Sheet* be closed with some *Rules*, most needful to be first known, for the directing those in *Company*, in their motion. The manner of erecting the *Fund*, which was *March 30. 71.* and the carrying it on in private, for many moneths; and the reason of putting a stop to it, when *bills* were just to be issued forth, together with the *Preamble* of the *Rules, &c.* They may come in, in due place

### *Payments on Change-bills.*

*That the Acceptor, who gives Credit to any Change-bill, First, be assured that the Producer thereof, be the Person named in said bill, or sent by his Order. Secondly; That he Enter on said bill, 1. the Time. 2. his own Name. 3. the Value he payes. Which, if it be the first Charge, then also to write the Sum, in words, above the columne: If not, then to cast up the Total: which is to be done at every additional*



*Article, & the bill to be delivered back again. Thirdly, If he pay the complement of any bill, to take it in.*

[8] Entries in the Creditors Leger.

*First, the Acceptor must erect an Accompt in his Leger, thus, The Fund at Boston in N. E. Debitor. Contrà, Creditor.*

*Secondly, Enter, 1. the Time, as in the former Rule. 2. thus, To Change-bill of J. E. adding thereto, the number of the bill, & the Sum delivered. And if it be in full of the bill, Then to write underneath the Entry, N. B. This bill taken in. Thirdly, when he hath an Account in the Office, he is to write thus, N. My Accompt in the Fund Leger, fol. —*

Entries in the Fund-books.

*When the Acceptor hath given Credit to the value of five pounds, or more: He may pass the Fund Debit into the Office, & have Credit in his Account there, as an Acceptor: giving in an Account, as Entr'd in his Leger, with the Change-bills taken up by him, & underwritten thus, Place to my Credit in Fund, fol. — the Sum of — being for the foregoing Payments.*

To H. S.

*Per J. N. with the Date.*

Pass-bill Forms.

*If one Fundor passeth Credit to another, it ought to be by a Pass-bill, thus, Place of my Credit in Fund, fol. — to Account of D. J. the Sum of — Directed, & Signed, as above express'd.*

*If the Drawer desire a Change-bill, for Pocket-Expence, Then thus, Charge my accompt, fol. — Debtor, five pounds or 2 Change-bill. now received, Number, — Fund-credit, not, to be strained; nor passed, but among Fundors.*

*That no Acceptor give, nor Depositor take more Fund-credit, than they see their way how to Receive, or Pay the same again, among those in Company with them: nor Deal in said Credit with any, but those Ented in the Fund-Rowl; which all concerned may take a copie of. N. This Rule to be of force but until persons see it to be their Interest, to accept Fund-pay: and the Credit thereof pass, without hazard of any prejudicing the same; through willfulness, or ignorance.*

To return, at length, to the *proposal*, left off *pag.* 6. [     ]

15.

*Thirdly,*

#### NOTE TO "SEVERALS RELATING TO THE FUND"

This pamphlet was reprinted in "Tracts relating to the Currency of the Massachusetts Bay, 1682-1720." The original is in the Watkinson Library, Hartford, Connecticut, and permission to make the copy and the facsimile of the first page was obtained through the courtesy of that Library. There is no other copy of the pamphlet known to be in existence. Its value was recognized by the late J. Hammond Trumbull and it was described by him in a paper read before the American Antiquarian Society in October, 1884, and separately published under title of "First Essays at Banking in New England." The handwriting to be observed on the facsimile was identified by him as that of Thomas Prince. The inference is that the pamphlet must at one time have been in the Prince Library. Mr. Trumbull identified the author as the Reverend John Woodbridge of Newbury, and through the aid of Prince's notation, the date of publication as March, 1681, 82. His technical description of

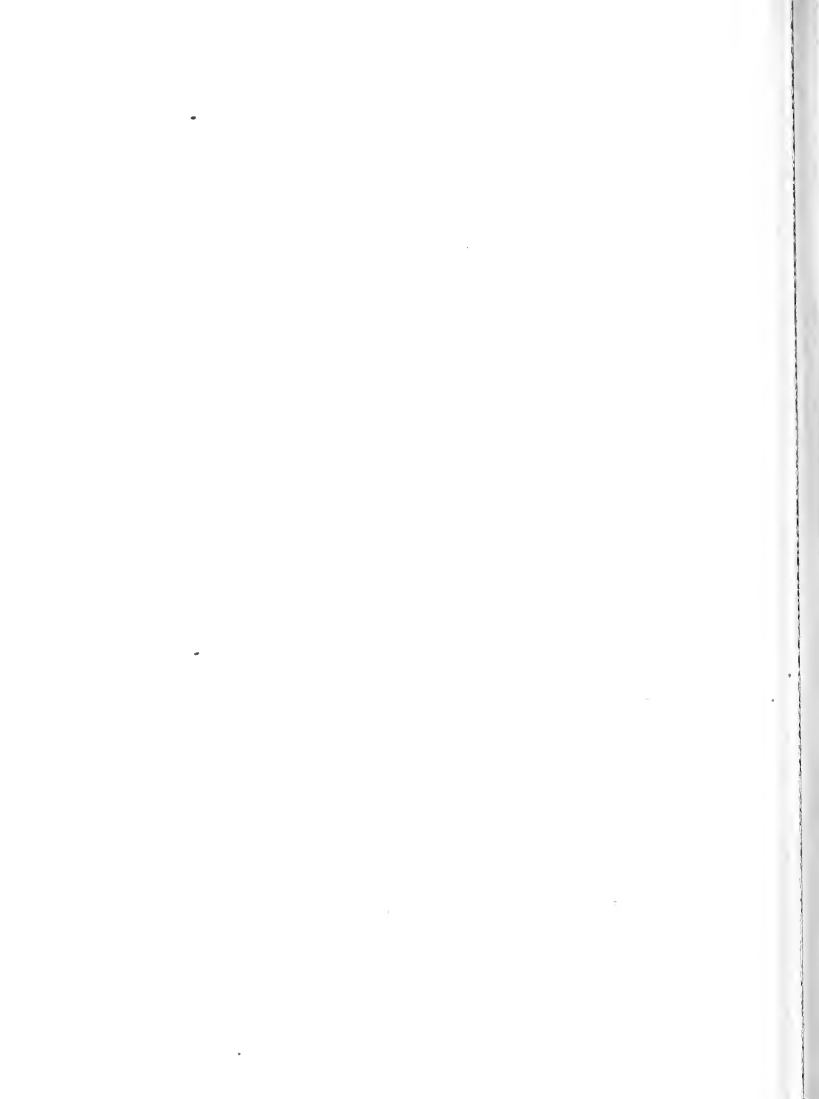
the pamphlet was as follows: "It contains on a single sheet in pot-quarto, the first eight pages of the tract, and is without a separate title leaf or imprint."<sup>1</sup> It will be seen from Prince's notation that it is from the press of Samuel Green. If emitted as a prospectus, these "first eight pages" were of course all that were then put forth and it is probable that the second eight pages were never printed.

Mr. Trumbull has picked up a good many of the threads of the life of the Rev. John Woodbridge, the author of "Severals relating to the Fund." Sibley in the life of Woodbridge's son adds one more, that he was born at Stanton, in Wiltshire, England.<sup>2</sup> Trumbull, after giving some details of his life, says, "He was chosen an Assistant in 1683 and again in 1684. His connexions with the principal families in the colony, and particularly with the leaders of the "moderate" Party, assured him consideration in the Council and influence in public affairs. He was the brother-in-law of Joseph Dudley and of Governor Bradstreet. His daughter Lucy was the wife of the Governor's son, Simon Bradstreet. He was connected with the Winthrops, by the marriage of the Rev. Samuel Dudley, with Mary, daughter of (the first) Governor Winthrop."<sup>3</sup>

<sup>1</sup> Proceedings American Antiquarian Society, New Series, Vol. III, p. 267.

<sup>2</sup> Harvard Graduates, Vol. II, p. 156.

<sup>3</sup> Proceedings American Antiquarian Society, October, 1884, p. 269.



*A Discourse in Explanation of  
the Bank of Credit*

*Or*

*Rules*  
*An Account of the Model & Benefits of*  
*The [redacted] Bank of Credit, Savings,*  
*and Exchange of Monies Proposed to*  
*be Erected in Boston And managed*  
*by persons in Partnership, as other*  
*Merchantly Affairs.*

*Published by the Proposers.*

*Anno*

*1687.*



*A Discourse in Explanation of the  
Bank of Credit*

*Or*

An Account of the Model Rules & Benefits of  
The Bank of Credit, Lumbard,  
and Exchange of Moneys Proposed to  
be Erected in Boston And managed  
by persons in Partnership, as other  
Merchantly Affayres.

*Published by the Proposers.*

*Anno*

1687.

## [ "A DISCOURSE," ETC. ]

Briefe considerations tending Demonstratively to evince the Necessity, Security, usefulness & Advantage of The Bank of Credit Lumbard & Exchange of Moneys Proposed to be Erected at Boston in New-England. And, That, Bank-bills of Credit will not only answer the Ends of Gold and Silver moneys, but are Preferrable to both. Also, some Rules & Instructions to be attended by all such as shall desire the Assistance of this Bank &c Touching the way and manner of their proceedings, in order to their Receiving the Benefits thereby held forth. viz:

Some things Premised for Introduction  
touching Banks in Generall viz

Money, whether Gold or Silver, is but a measure of the value of other things: yet hath, for a long Succession of Ages (especially in the civilized & trading part of the world) obteyned to be the usuall & best known means of Interchange.

This Measure & way of interchange was originally occasion'd by the experimented inconveniencies of Common Barter by Commodities: In which way, unlesse both the parties dealing had like occasion reciprocally of each other's, the lesse necessitous over-reached the greater, by imposing y<sup>e</sup> Price of both: to his owne Advantage, and the others detriment, which was not equall.

The Inconveniencies of the way of Barter might have been much obviated, By a frequent setting a just & equall value of the Price of all commodities, by publique authority,



according as the plenty or scarceity of them should require, and the market had ruled: But, there being no such common standard, Money hath obteyned & been admitted as the best ballance of Trade, both by wise & un-wise. But, whether the Mynes faile, or men have not been so foreseeing and industrious to bring into most countreys a sufficiency wherewith to manage their increasing trades; Or, That Traders, for want of other returnes, have been necessitated, for Ballance of the Surcharge of goods Imported, To Remit the Coynes of some Countreys into others; Or, For other unknown causes, 't is now so hard to come by, for the carrying on of trade, to answer the vastness of men's attempts & aymes of increase in Merchandize, as that it's suspected to be insufficient in this age of the world: And that hath put divers persons & countreys upon contrivances, how to supply that deficiencie, by other Mediums: Some of which. have happily pitch'd upon That, of Banks, Lumbards & Exchange of Moneys by Bills: which have thriven with them.

The Two Former of these, viz<sup>t</sup>, Banks and Lumbards have been sett on foot in divers Countreys, by their respective publique undertakings, and have succeeded to their abundant enriching. Perhaps others have thought, That would have occasioned the over-flowing of moneys amongst them: But, as the later have been mistaken, Or, their Surfeit of Trade hath obscured the visibillity of it, and protracted the considerations of Redressing, till it hath proved allmost Fatall, even to the giving a Sett, or declension to their Aspyrings therin; So, the Former have really experimented, that their Banks have been, as well amongst themselves, as with other Countreys, of greater value than the Species of Gold and Silver: and yet such places dreyne away the s<sup>e</sup> species

from the other that Court it, as the only reall good thing for a Countrey.

The Third, viz: That of Exchange of Moneys, hath been for the most part managed by the respective merchants of the same and other Countreys: who, in their particular dealings and correspondencies, have un-accountably controll'd it, to their great advantage also; and vary it often, in each Annual Revolution.

'T is not doubted but that all Three of these might be improved and accomodated to the publique advantage of any countrey, and of this in perticular [Commuting only the Fund of the First from (but) an Imaginary being or presence of the species of Gold and Silver moneys lodged in such Banks, (which this place hath not in such plenty as to deposit for such a purpose) into Reall and Substantiall Lands & goods of un-questionable title and value (which this Countrey hath) and thence, more aptly Terming the Bank (which in other places is, in Repute, A Bank of Moneys) [A Bank of Credit] and the Bills issued on these Funds [Bank Bills of Credit] especially if such an affaire be managed in Partnership, by private hands, persons of knowne integrity, prudence and estates: all which will become thereby lyable to answer the injury, damage or Losse to any, by their undertaking. And, It seemes most necessary that some thing of this nature be sett on foot, for the present supply of the great scarceity of money here, for carrying on the Ordinary cõmerce amongst Traders; who, unlesse speedily releived by this medium, will, in all probabillity, be suddainly exposed to breaking and utter Ruine. But,

At present, we shall begin with, & principally discourse of the two first of these, viz: The Bank of Credit, as it may be

rendred Susceptible of the second, viz<sup>t</sup>, The Lumbard conjunct: Accounting the One to be founded on Lands or Reall estates mortgaged; and the other on staple goods or personall estates Deposited: Such as any Countreys Products and Manufactures will by Art and Industry produce and furnish.

Here might be also discours'd A Lumbard for y<sup>e</sup> Poore (by some called Mons pietatis) But That's fitter to be the handmayd of the other. For, 'twill be too poore to encourage an undertaking by it selfe. Neither is there the same necessity therof as of the other in this Countrey at present. The paucity of the poore occasioning the use & imployment of all the hands we have, and calling for more, such are thereby provided for, who will betake themselves to industry, at such moderate wages as would enable them to live comfortably without exposing their imployers to like poverty with themselves. Besides, the other, viz<sup>t</sup> The Bank of Credit & Lumbard, when understood, and received by Generall approbation, will render this, as also that of the Exchange of moneys, the more intelligible, & in due time as usefull.

These things Premised by way of Introduction, we shall now proceed to that which more immediately relates to the Present Bank proposed to be Erected in this Countrey: which we define thus, viz<sup>t</sup>.

A considerable number of persons, some of each Trade, calling & condition (especially in the principall places of trading in this Countrey) agree voluntarily to Receive as ready moneys, of and from each other and any Psons in their ordinary dealings, Bank-bills of Credit, signed by severall persons of good Repute joyned together in a Partner-

ship; Given forth on Lands of good title mortgaged; and staple un-perishable goods & merchandizes Deposited in fitting places to be appoynted by them for that purpose, To the value of about One halfe or Two thirds of such respective Mortgages & Deposits at the Rate of Fower pounds P cent P annum: which said Bills, in a kinde of Circulation, through their experimented usefullnes, become diffused by mutuall consent, passe from One hand to another, and so have (at least) equall advantages with the Current moneys of the Countrey attending them, to all who become satisfied to be of this Society or agreement, & that shall deale with them.

For Instance.

A countrey Chapman hath Lands (suppose) worth to be sold for 400<sup>l</sup>: and being willing to inlarge his trade and dealings, as farr as his Estate will enable him, Or, having bought goods, for which he is indebted, and cannot otherwise pay for, He mortgages his Land in Bank for 200<sup>l</sup>, more or lesse; and therupon receiveth severall Bank Bills of Credit for 200<sup>l</sup>, &c, of severall values from 20<sup>s</sup> and so upwards, to answer his occasions.

With these Bills he buyes such goods as he pleases, or payes his debts for what he formerly bought of the whole-sale shopkeeper, or Warehousekeeper in Boston, or other Towne or Townes of Trade that shall fall into this way of dealing: and having Bank bills to deliver for them (which are of better value by 40<sup>s</sup> in the 100<sup>l</sup> than moneys, with this Society, as is hereinafter evinced) he buyes much cheaper than he could upon his owne Credit, or with money in specie.

The Shop keeper goes to the merchant, who thus agrees,

and buyes of him other goods, with the same or like Bills, wherin he reaps the same advantage as he gave his chapman.

The Merchant buyes Bullocks, Hogs, Fish, Hops, Lumber, Pitch, Tarr, Rozin; Or any other of the Countreys Product or manufactures, of the Husbandman, Artificer, or maker of such manufactures.

The Husbandman, if a Farmer of Lands, Pays his Rent, and purchases more young Cattell of his neighbor, for Breed or Fattling. Or,

If an Owner of Land, and hath not sufficient stock to improve it, he also mortgages his Land, & has Credit to furnish himselfe. Or,

If he hath stock sufficient, and perhaps more than his present Farme can mantayne, He hath his eye upon a neighboring Farme that would be sold: He mortgages his owne Land in the Bank, and hath Credit to buye the other.

If then he want stock, He may also mortgage the Farme last purchased, and have Credit to enable him fully to improve & stock both: whereby he doubles his yearly advantages: and, if he can then content himselfe to live as frugally, and be as industrious as before, he may soone compasse to pay off his Debt, and Redeem his Land. Or,

He may continue the Credit he had, or take out more upon the Additional improvement: and thus increase his purchases and estate as long as such an help is afforded.

#### Another Instance.

The Like may be don for carrying on the Opening and working in any Mynes, Myneralls, or Quarreys of stone, Lead, Tynn, Iron, Copper &c. Thus, viz<sup>t</sup>.

The Myne & Lands wherin the same is may be mort-

gaged, as aforesayd, to supply the Owner therof with Credit, for paying his workmen, in any sum of 20<sup>s</sup>. or above.

As fast as any of these metalls &c are wrought, fitt for sale if a Chapman be wanting, the metall may be brought into the Bank, and the Owner Receive Bank bills to the value of about two thirds therof, as aforesaid, to enable him to proceed on his works: and the metall lying in Bank is there readier for a market than else where in his owne private house or warehouse, at very reasonable Rates for lying there: and may, with allowance of the Owner, be sold at such current Rates as he shall sett: and he become Creditor for so much to be discompted, or payd him, whensoever he shall call for it.

#### A Third Instance.

A Weaver of Cloth, Searge, or Linnen &c is employed in any work house erected or to be erected, to carry on those respective manufactures: Also other Manufacturers and Artificers in Ropemaking, Cables, Rigging, Sayles, Ancours or any other, for the fishing trade, Merchants, or building of ships.

The Owner of such Work-house or materialls respectively consents to mortgage the same for 200<sup>l</sup> in Bank-bills, more or lesse, as the work shall require, and the value of the house, or materialls will admitt.

With these Bills The Workmaster or Overseer buyes wooll, worsted, yarne, dying stuffes, hemp, Flax, Iron, Timber, Lumber &c of the merchant, warehousekeeper or other seller: and finishes forty, sixty or a hundred peeces, &c, more or lesse, of any the said Co<sup>m</sup>modities, which, when wrought up for a market, if he want a Chapman he brings

into the Bank warehouses, as aforesaid, or such yards, Docks or other places as they shall appoynt: takes up new Credit upon them, & leaves them there to be sold at his owne Rates, as aforesayd. Or,

A considerable parcell of Wooll, Cotton, Flax, hemp, Oyle dying stuffes, or other goods for his use, are offer'd for sale: He may pay One third therof by his wrought-up goods unsold, and, bringing these into the Bank, may receive Credit for paying the other two thirds, which he may take out in parcells, as he brings in any New-wrought-up goods: Or hath occasion to use them for making up more. And the Bank-storehouses will be to him, and all other Manufacturers, as Blackwell hall in London to the Clothiers, To assist his sale of them with out his trouble; for, Thither will all merchants have encouragements to come, to seek supplies for transportation, and finde goods allwayes ready.

Other Instances might be multiplyed. But, By these it appeares, That,

1. The Manufacturer &c loses no time in looking out a Chapman.

2. Is allways furnish'd with Credit to buy his materialls at y<sup>e</sup> best hand.

3. The Merchant never Trusts, nor Warehouse-keeper. Or if he do, the plenty of Bills expeditis his Chapmans sales, and consequently his payments. Whereby,

4. He has encouragement & stock presently to look out for more, of the same or other usefull merchandizes.

5. Sends forth the said Metalls, Clothes, stuffes Lynnen &c, amongst other merchandizes of the Product of this Countrey, or Imported.

6. Makes Returne of Bullion, moneys or other usefull goods, which are presently bought off with Bank bills. Or,

7. He may store them up in Bank-warehouses, and Receive present Credit wherewith to send out againe. And,

8 Thereby be inabled (at least) to double or trebble his yearly dealings, & receive proportionable advantages. This,

1. Increases & quickens Merchandizing and Trade.

2 Promotes shipping and Navigation. Which,

3. Increases the Kings duties, & consequently his Revenues.

4 Employes the poore in the mynings & manufactures aforementioned.

5 Also, In that of Cordage, Sayles, Cables, Ancours &c for the fishing trade and navigation.

6. They get money by these employments.

7 That enables them to buy up all necessaries for Clothing, victualls, paying debts, &c

8 This helps the consumption of, as well our own manufactures, as other imported goods and merchandizes; For, no man that hath wherewith to buy, will go naked, or be hungry &c.

9 This helps to civillize the Ruder Sort of people, & encourages others to follow their example in industry & civillity.

10 Thus, All sorts of persons become inabled to live handsomly, and out of Debt: and that prevents multiplicity of Lawsuites, charges, and troubles to the Government. But,

None of these Advantages may be expected out of the small pittance of Cash, that now is, ever was, or likely will be in this countrey, unlesse assisted in trade & inriched by the help this Bank proposes. But,



Obj. 1. Some perhaps will object, or say,

What do you tell me of Bank-bills & Credit? Unlesse you have moneys allwayes ready to give me in Exchange for Bank-bills when I ask it; I'l never deale with the Bank; I understand Money: and what use & advantage is to be made of that. Will you not be bound to give me ready money for the Bank-bills I have, when I have occasion for Money?

Ans. 1. This Bank is not Proposed to be a Bank of moneys (w<sup>ch</sup> is liable to un-expressible & un-foreseen hazards) but A Bank of Credit, to be given forth by Bills, to supply such as cannot get money (by reason of it's scarceity) with what so ever may be had for moneys. But,

2 If it be made appeare to you, that others who have money, will be willing to change your Bank-bills into those species of Gold & Silver, & thank you for offering them the occasion, (though the Bank do it not) you'l have no cause so hastily to resolve against dealing with the Bank, &c. Especially if you may both be gayners by the Exchange. But,

3 If I ought you 500<sup>l</sup> to be payd in Silver, & should propose to pay you in Gold, at the intrinsique coyn'd value, which, if you part with againe, will yeild you five pounds profit, or more, would you then Refuse Gold? Quis nisi mentis inops, &c. sayes a Poet.

Obj. 2. How will you apply this to make it Credible? Thus,

Ans. Who ever hath any Payment to make in Bank (which, in all probability if the Bank take effect will be every man that deales in above 20<sup>l</sup> at a time) will finde, That he must pay 40<sup>s</sup> more in every hundred pounds of ready moneys, than in Bank bills of Credit: which is about 5 pence benefit to the Exchanger in every 20<sup>s</sup>.

Obj. 3. Then surely I may returne the Poets wonder upon the Bank.

Ans. Not at all. For they will not refuse money: But, Bank bills and Credit are so respectively adapted to answer the Two severall species of Gold and Silver moneys, as that, More than Gold is valued, by many men, above Silver, Proportionably will Bank bills be preferable to either of them. For,

Q. Why is Gold Preferable to Silver, so as that a person should give 1<sup>d</sup> or 2<sup>d</sup> in the pound exchange between them?

A. 1. For ease of Compting & carriage.

2 For Safety in travelling or hoarding up.

3 For the Advantage that some make by the exchange betwixt them: which lyes on the side of the Gold, but rarely is above 20<sup>s</sup> in the hundred pounds.

Bank bills Farr exceed both, on all those Accounts. For,

(1) The only reading over of a Bank bill ascertaynes the sum or value conteyned in it: and, If many Bills be offer'd in payment of a considerable sum, Few persons that have occasion for many, but can easily adde or compt even sums, none conteyning lesse than 20<sup>s</sup>.

(2) If a person be Rob'd of his Gold or Silver, whether it be upon the Road travelling; Or by thieves breaking open his house by day or night, when he is abroad or asleep: Or by Servants proving unfaythfull; Though he may possibly meet with the persons, earlyer or later, that took his money away; they may have spent it, or a considerable part of it; That's lost irrecoverably: and it will be hard for the Loser to prove what he findes, to be his owne money: But if a mischance befall him in his Bills by any of those meanes, Or, by accidents of fire, water, wearing out, &c; He may have them

renewed ; if he forthwith apply to the Bank-house, and make a voluntary Oath therof, expressing the number, value & date of each Bill lost, &c ; and will secure the Bank against all after-demands for the same Bills. By which meanes (most probably) the thiefe will be discover'd: for, the Bank will presently make publication therof, in such manner, as, if other persons, to whose hands they shall come, comply not voluntarily with the wrong-doer, to their owne prejudice, he will be soone detected and brought to condigne punishment. And, there can be no counterfeit of any bill given out, but the Bank can make out the truth of every man's bill, by it's counterpart remayning in their hands: So the difficulty of escape will deterre from the attempt.

(3) The Third perticular is proved in the answer to the second objection, viz: Bank bills will passe in the Bank at 40<sup>s</sup> more than money in 100<sup>l</sup>. Wheras Gold is very rarely above 20<sup>s</sup> more than Silver. But, Besides, Money may not be transported without hazards; Partly by the penalties on the Transporter, by Law: Partly by Shippwrack, Piracy, &c. Bank-bills (with advices) may assist exchanges into England, & all other parts, when once this Bank shall have gotten into Reputation, allowing for the different intrinsique value of the severall current moneys in each respective place: as 100<sup>l</sup> Bank credit of Holland, will be accepted in England & bought up at 102<sup>l</sup>, sometimes 103<sup>l</sup> of English Coyne.

Obj. 4. If therfore upon the whole, any shall say, However, Give me money, Or I'l not deale with you, I Love to Look on it sometimes: Gold is sayd to be good for the Eyes, &c.

Ans. You may be assured, That if you shall choose rather to give 8<sup>l</sup> per centu P annu for money, than fower for Bank bills, That are 40<sup>s</sup> in the 100<sup>l</sup> better; The Bank will be

easily perswaded to settle some way wherein they may safely accomodate you with that eye-salve, and can bring in moneys to them, if there be any in the Countrey, when they shall see cause to value them equall with Bills: which (yet) they will never attempt to the prejudice of so many as will be of a different mind from you: But, you are rather to be suspected to have moneys than to want it; and would put it out at those Rates of Interest, as heretofore have been done, to the Ruine or impoverishing of many Landed persons; for whose Releife this Bank is principally erected: who, finding the ease this Bank affords, will hereafter know where to be accomodated, on better termes: and without danger of being worm'd out of their Lands & Estates: It being the Banks Interest to continue to give out their Credit, on the termes proposed, till men can Repay. But,

Obj. 5. We know not the nature & constitution of this Bank: Nor what's requisit for us to do in order to our being made partakers of the benefits & advantages proposed to such as shall voluntarily comply therewith. Nor, Do we see clearly our Security in so doing, nor upon what termes. Pray informe us of these things, so farr as we may be safely guided into the way, & unto the end of it. Also, In case this Bank should terminate, How we shall be dealt with all in the closing up of accompts, so as may be without damage, either to y<sup>e</sup> Bank or to those that shall so deale with it? We doubt not but you have as well consider'd the end as the Beginning. Though if it prove so usefull as is suggested, we can see no cause why a thing of so great advantage, in so many cases as have been instanced, should procure any persons ill will or wearinesse of it: And we are also satisfied, That an affayre of this nature, wherein the persons

& estates of so many shall be involved, as it seemes probable there will be, can not suddainly be knock'd off, but with inconvenience.

Ans. We shall indeavor to give you satisfaction in each perticular, in the order layd down by you, as neare as may be. And,

First, As touching the Constitution of this Bank:  
Take it Thus.

1. There are 21 persons of good and Generall Reputation for integrity prudence & estates, To whom the Trust and care of the management therof is proposed to be Committed, wherof Seaven of them viz<sup>t</sup>. A. B. C. D. E. F. G. are conceived sufficient to appeare at the first entrance therupon; and untill by the coming on of busines it shall be judged necessary to settle the full or some greater number of them. These are all ingaged by Articles of Agreement & Covenants in Partnership to attend theron and be responsible for their doings, and These will sitt in some certayne place in Boston, to be herafter agreed upon, from day to day, as the businesse & occasions of the Bank shall require, to Receive all Proposals from any persons touching their having such Credit therout as they shall desire upon their Estates of Lands houses or staple un-perishing goods or merchandizes, to such value as they shall judge the security proposed of either kinde will admitt: and for drawing up & perfecting such Bank-bills, mortgages, Bills of Sale and Defezances therof, as Lands or goods respectively shall require. which said Respective mortgages and Goods, when perfected & brought in shall be layd up and stored respectively in as safe and convenient Roomes and Warehouses, &c, as shall be without exception, To prevent damage of wether, Rob-

bery, Fire, water, or vermin of any kinde, whereby they may be impaired: And all under the Trust and custody of such number of the sayd Managers as no opportunity can be taken to impayre or lessen the security, unlesse all the partners should agree therin; which can not reasonably be imagined by any body that knowes them. Besides, There will be continuall watching on all such places, and it will be the Interest of all persons, any way concerned in the affayres of the Bank, to be carefull to prevent, and to give advertisement of any attempt made to the impaying or prejudiceing the Deposits in the Bank; for that their Livelyhoods and dependencies will lye in their preserving it in the greatest Repute, which upon the least violation will be utterly Lost, and the Bank fall to the ground.

2. These Managers aforesayd enter into and oblige themselves by Covenants and agreements to and with other persons called Assessors, (who were the Contrivers, Framers & Proposers of this affayre of the Bank: and of the Constitution, Rules & instructions to be observed in the management therof) for their diligence & faithfulness in the discharge & execution of their respective Trusts, according to the sayd Constitution; and inviolably to observe the same, and all the Rules therof.

3. These Assessors have also, by the said Constitution, the oversight & Comptroll of the whole affayre, to see the same be so managed: And to that end, are dayly to inspect the management therof: and that the said Rules be duly observed on both parts, viz<sup>t</sup>, as well on the part of the Bank, as of the persons dealing with them in every office, or branch of the Bank; that all things be done with justice and impartiality between them. And in case of absence of the Mana-

gers, may supply that defect, by their personall transacting the same things.

4. Each of the sayd Managers and partners are also to Deposit moneys, & other estates in the Bank as a stock or Fund: which will be a further security and obligation upon them for their upright dealing, for, thereby every of themselves, and the whole partnership become personally Interested and concerned to be carefull in every thing: and the whole society liable to answer the damages.

5. This undertaking was, in July 1686, Proposed to the then President & Councill: and by them Referd to the consideration of the Grand & Standing Committee, consisting of Divers Eminent and worthy persons, Merchants and others, who Reported, as their opinion, that the erecting, Constituting & settling of a Bank of Credit, Lumbard & Exchange of moneys as was Proposed, may be very usefull and conduceible, to the incourageing of Trade, Navigation, Manufactures, Planting & improving of Lands & Estates, Increasing his Majesties Revenues, Facilitating the Payment therof, and of other Debts; And removing the present greatest obstructions therunto in this and the neighboring territories & dominions of his Ma<sup>tie</sup>, &c. And therupon received their allowance and Approbation. As by the sayd Report, and Order of Councill therupon, bearing date the 27th day of September 1686, Relation being therunto had for better certainty therof, it doth & may more fully & at large appeare. And,

Thus you have notice of the Originall Nature and Constitution of this Bank. The way & manner of it; and the Security of such as shall deale with them in this way.

Secondly, As touching that which is farther Requisite for those to do and observe who shall voluntarily desire to Deale with this Bank. And the Rules to be attended, that thereby they may be made partakers of the benefits & advantages suggested, in the Instances before given ; Take it in those perticulars.

1. You must Resolve to come to the Bank with as just a minde not to injure them, as all men that consider this Constitution, and know the persons imployed in the management and ordering the affayres therof will believe you shall finde in them towards you, viz, Seek not to circumvent the Bank by bad titles of Lands or Estates: which you cannot but know. For, If you do, you'l be greatly injurious to them whose designe is to be so farr from injuring you, as they will, by all lawfull wayes, according to the honest Rules and meaning of the Bank, study to profit you : And this is no other than not to be or do evill to them who are good to you, which the very morall heathen will avoyd.

2. It will be also Requisite That you Assist, & what in you lyes Promote the Reputation of the Bank, & it's affayres & proceedings, in all lawfull wayes. For, 't is a Generall Good to your Countrey, as well as perticular to your selves.

3. These things Premised, by way of Caution, when you have occasion to use the Banks assistance, Bring such security of Lands or goods as you have to offer, and take what Credit can, by the Rules of the Bank, be afforded upon it. And when you have their Credit, use it in some honest calling, or other just and necessary occasion, that, with God's blessing on your lawfull indeavors, you may reap the benefit proposed ; and may thereby be enabled, at the time agreed on for Redemption, To pay in the value of the Credit given



out, with Interest every six months, after the Rate of fower pounds P centu P annu, in Bank bills: and so proportionably for lesser time than One yeare, if you shall take out or Redeeme your Estate sooner, (which you are to have liberty to do at your pleasure) But if you shall Redeeme it with or make any paym<sup>t</sup> in moneys, you must pay forty shillings more in every hundred pounds: For, In order to the satisfaction and incouragement of such as doubt they shall not have money for their Bills: and, To the end the Current money that's left in the Countrey, may be free for such as desire it, The Bank preferre their owne Bills to money, according to that proportion: and thereby give demonstration, that every man that hath Bills may procure money for them, with advantage, if there be moneys in the Countrey.

4. If you can not conveniently Redeme your estate by the time agreed, you are, notwithstanding, before or at the time appoynted, to Adresse your selfe to the Principall Managers, and propose to them the continuance of your Deposit, for such longer time as you shall think fitt: And if the same be a mortgage of Lands of un-questionable title, paying your yearly Interest or praemium every six months, as aforesaid, to that time, and charge of Registring your mortgage, they will prolong the same from yeare to yeare, as long as shall be desired, on the same termes. If, of staple goods and Merchandizes unperishable, (as for instance, Lead, Tinn, Iron, Copper &c) they will do the like: But, if of other goods that will be unsafe to keep longer than the time contracted for, or if any unforeseene incumbrances shall appeare on the said Lands, or question touching the validity of the Mortgagers title, you must either Redeeme them at the time or times agreed on, or they must and will sell them as soone

after as they can, at the best Rates they can get; Paying to you the overplus above the value of the Credit issued upon them, The interest then due as aforesaid, together with the charges of the warehouserome for the time the sayd goods shall lye there deposited, and other charges in sale therof and removall if any be, which they will deduct therout: For, they must not suffer damage to the Bank, which would also be injurious to all those concerned with them as you are.

5. You may at all usuall howers of the day have accesse to your goods in the Bank ware-houses, (in the presence of such as the Principall Managers shall substitute, and intrust with the keys therof) to see that your goods are not damni-fyed, as also to Provide against the same, and to show them to Chapmen: In order wherunto, there will be Porters belonging to the Bank, such as they can intrust, and no others, to Remove or Romage your goods, and to do such businesse about them as you shall desire, you paying such moderate Rates for your goods lying there, as, according to their bulk-inesse, shall be judged fitt, and agreed on to be reasonable to be allowed for the same, at the time of Depositing them, and during such time only as they shall continue there; for, The Bank-warehouses will be to all men as their owne Warehouses, save that none will be admitted to come into them, but under observation that nothing be imbezzled, or unduly removed with out the managers order.

6. You are also to Take notice by these presents Printed, and to owne and agree unto this as One Fundamentall Rule in the Constitution of the Bank (without agreeing to which the Proposers & managers thereof dare not give you the assistance Proposed) That, in case the Creditors of this Bank shall agree to desire, and accordingly declare in writing,

That there be a determination put thereto : Or, if on any other account whatsoever the Determination thereof shall be judged necessary by the sayd Proposers & Managers and Declared in writing as aforesaid (w<sup>ch</sup> cannot be without allowance and ascertainment of a reasonable time betwixt the said Creditors and the sayd Proposers and managers for closing up the same, and the Accompts thereof, so as may be without damage to them, or either of them) That, as no person is hereby, or shall be compelled to accept Bank bills of Credit, unlesse he shall voluntarily agree so to do, and for no longer time, nor otherwise than he shall so consent, So, no man paying his praemium & charges as aforesaid for the Credit he hath, shall be compelled to Redeeme his Pledge, being of personal estate, sooner than the time contracted for, and the nature of the goods deposited shall require. And to the End the Mortgager of Lands, of unquestionable good title, may not be distressed to his undoing, in case he should, by reason of such Declaration, be suddenly called upon to Redeeme the same, (which may be impossible for him to do in some yeares, through the scarceity of moneys) That all and every Mortgager of such Lands, in such case only, shall or may have and take six years time after such Declaration aforesayd to be allowed unto him his heirs or assignes, for Redemption of his Lands : He or they paying after the Rate of six pounds P centu P annum, in ready money, at the end of every six months, for the continuance of the Credit he had therupon, from such time as the sayd Declaration shall be perfected, untill he shall Redeem the same : And, That the Managers & undertakers of this Bank shall or may have and take One full years time more, from the expiration of the sayd six yeares, to be allowed unto them, for selling

the said Lands, or such of them as shall not within the said six yeares be redeemed; whereby they may be enabled to Receive in and exchange all Bank-bills then granted forth, into the now Current Coyne or moneys of this Countrey, or other Moneys being not of more intrinsique value than what now passes; Or otherwise satisfy the same, by such Proportions of the said remayning Lands, or other effects, as shall be judged to be of equall value; Paying to all the Creditors who shall then have any Bills in their hands after the same Rate of Interest, for so long time after publishing the said Declaration as the said Bills shall remayne in the said Creditors hands un-occupied, with Deduction and allowance only of the praemium contracted for, as aforesaid: And that such Bank-bills, as, before such Declaration made, have been given forth, upon the Reall or personall securities aforementioned which remaine in the possession of the said Bank, may & shall be esteemed and passe as Current moneys, of the value of the present Coyne, in all Receipts & payments what so ever, during the sayd termes.

Obj. 6. But, None of the forementioned cases reach my Circumstances and Condition: My Lands or goods are all-ready Mortgaged or incumbred to persons on a higher Rate of Interest: and they will not quitt them till I can pay them off. They say, They will not accept of Bank-bills: and if they would, you'l not part with any till the Lands, &c, be really made over to the Bank. Can you Releive me and persons under my circumstances?

Ans. Doubt it not. If the person you are concerned with will not be lead by the Consideration of the Reall advantages to be made by Bills beyond moneys, herinbefore exprest, There will be other persons, whom you may be informed of

at the Bank, who, on Bank-bills of such sum or value as you should pay in moneys, and assurance of the Bank's satisfaction in the title & value of your Lands &c will provide and lay downe the moneys you owe them, if there be any moneys in the Countrey to be had: and you shall also be assisted therin by the Bank's Counsell, Solicitor or attorney at Law, with advice & furtherance, as your case shall require, for the accomplishing your desires, on very reasonable termes.

Obj. 7. But I have neither Lands nor Goods, that I can spare, yet if I could procure moneys, or such Credit as you speak of, I have been brought up to a calling wherein I could live and mantayne my family comfortably, though I payd a higher Rate of Interest for it than the Bank requires: And I have friends too, that would Assist me upon my owne word or Bond, but they say money is not to be had, and they cannot help me.

Ans. If your Friends have Lands or goods They may have this Credit, which will be equivalent with money, to supply you withall, at such Rate of Interest as you can afford to give, & as their friendship & charity shall incline them: whereby (also) they may be gayners, and thereby encouraged to assist you; if they judge you faithfull and laborious in any vocation likely to mantayne you.

Much more might be sayd upon this Subject: But, These seeme to be sufficient to encourage an Attempt. And, the experimete of the things suggested will give such cleare Demonstrations of the usefullnes, Advantage necessity and Security therof, as, Those who are not so prompt to receive things into their understandings by the Notions of them, or are prejudiced by mistaken apprehensions about them, may be presumed will follow others Examples in well-doing, when they are observed to thrive who goe before therin.

We shall therefore Sum up all in this Generall Assertion, That, there will arise many more conveniencies & advantages by this Bank than have been Enumerated, or well can be.

By this, The trade and wealth of this Countrey is established upon it's owne Foundation, & upon a medium or Balance arising within it selfe, viz<sup>t</sup>, The Lands & Products of this Countrey; and not upon the Importation of Gold or Silver or the Scarceity or plenty of them, or of any thing else from Forreigne Nations, which may be with-held. Prohibited or Enhansed, at their pleasures.

Our owne Native Coñodities will thus become improved to a sufficiencie for our owne use (at least) & thereby afford a comfortable subsistence to many ingenious and industrious persons amongst us, who know not at present how to subsist: and this will draw over more inhabitants and Planters.

It will not be in the power of any, by extortion and oppression, to make a Prey of the Necessitous.

The Fishery of these parts will be improved. The Navigation and shipping increased for use or sale:

His Majesties Revenues here. in consequence of all these, will be much enlarged.

The Rents of Landed men will be increased, and the payment of them, and all publique taxes facilitated. Yea, The Purchase value of Lands will rise, For, the plenty of Money, or a valuable Credit equivalent therunto, and the Lowering of Interest, must necessarily have that effect. To which may be Added, That, The lesse need there is of money by reason of such current Credit, the more will be the increase of money itself, as, is manifest in Holland, Venice, and all places where Bank Credit supplies those species.

In Order therefore, and as Preavious to the entring upon this affayre : As it hath been Deemed Expedient to make publication of these things, in the Name of the Proposers, for information ; submitting them to the view and Consideration of all men ; That each may know his owne share and interest in this Bank, and practice what he shall approve : So, These will be shortly followed with the tender and Proposall of a Subscription to be made (by such as shall voluntarily desire to be concern'd therein) of Receiving and Paying away the Bank-bills of Credit that shall be issued by this Partnership, as ready moneys, in all their Ordinary dealings of buying & selling One with another, and also, of and from all other persons with whom they shall have to do in their traffiquing affayres, wherupon they are to receive or pay Moneys. The Ground of which subscription is, To the end that, Before the Actuall issuing out of any Bills, it may, By the returne of such Subscriptions, be Rationally conjectured, that this undertaking will receive incouragement by such number of persons of all trades, callings, Ranks and conditions subscribing thereto, as may be judged sufficient to lay the Foundation of a Circulation and passing of this Credit, as ready moneys, By a Generall, Or at least considerable, voluntary vogue, though not universall concurrence, approbation & consent, which being, by the Returne of the sayd subscriptions made knowne to the Partnership shall be digested into Alphabetical Lists, as well of the names of the persons so subscribing to Consent, as of their respective Trades or callings, and places of habitations, To lye in a readines for the view of all who shall accept this Credit, that they may know with whom to buy and sell in this way. After which, no further time shall be lost, But the Proposers

& Managers of this Bank will suddainly meet together, and sitt, from day to day, in some convenient place for carrying on the sayd affayre: Wherof notice shall be given, as also of the usuall howers of their so meeting: That if any who shall not have subscribed such consent, upon the first tender therof, shall be desirous of further satisfaction by personall conference, Or, shall receive satisfaction, and desire to be enlisted as voluntary Dealers with the Bank, they may know when and where to apply themselves, for that purpose: and have their names &c, incerted in such Alphabeticall Lists, for observation, if they shall desire it.

Quò comunius Eo melius.

Finis.

NOTE TO THE "DISCOURSE IN EXPLANATION OF THE BANK OF CREDIT," ETC.

The "Discourse" was found among the Winthrop Papers now in possession of the Massachusetts Historical Society, and was published in the "Proceedings" of the society in 1904<sup>1</sup> in connection with a communication made by myself at the December meeting, 1903, which was separately published under the title "The prospectus of Blackwell's bank, 1687." The manuscript bears the title "A Discourse" etc., on the outside of the first leaf, which also serves as cover. The leaves measure  $5\frac{7}{8}$  by  $7\frac{1}{4}$  inches. There are thirty-four written pages. The handwriting has been identified as that of Capt. John Blackwell, and inasmuch as Blackwell, when the project was abandoned, put in a claim for disbursements to a clerk for writing "out the abstracts of the book intended to be printed besides what I wrote with my owne hand,"<sup>2</sup> it is reasonable to suppose that we have here the work on which a part of the claim was based.

<sup>1</sup> Second Series, Vol. XVIII, pp. 62-81.

<sup>2</sup> Andros Tracts, Prince Society Publications, Vol. III, p. 21.



The various documents in the archives relating to this bank refer to Blackwell as the promoter of the Bank of Credit, to aid in the formation of which the "Discourse" was prepared. He was at that time a recent comer in Boston. Palfrey says that he had been a treasurer in the English army and a member of parliament, and had married a daughter of General Lambert.<sup>1</sup> In 1686 he ran in the preliminary contest for election as a nominee to the Court of Assistants. He was twenty-sixth on the list from which eighteen were to be selected at the subsequent election, thus reaching a nomination although his vote was less than one third the vote of Simon Bradstreet.<sup>2</sup> His elevation to positions of public consideration was the cause of comment on the part of Edward Randolph, who complained in his letters that notwithstanding Blackwell's previous record he was "a man consulted in all public affairs."<sup>3</sup>

His name appears in a grant of the Bahama Islands to twenty-six persons, and this put the indefatigable John T. Hassam upon his trail. Seven pages are devoted by Hassam to the career of "John Blackwell, Jr.," our "Captain John Blackwell," in "The Bahama Islands: notes on an early attempt at colonization," a paper read before the Massachusetts Historical Society.<sup>4</sup>

By a curious coincidence, another investigator, renowned for his industry and acuteness in running down recondite subjects, had already made Blackwell's career the subject of special research. J. Hammond Trumbull, in his "First essays at banking in New England" originally published as the Council Report of the American Antiquarian Society, in the "Proceedings" of that society for October, 1884, was led to collate the facts on record relating to Blackwell's career, through his connection with the Bank of Credit, of which the "Discourse" is the prospectus. The future biographer of Blackwell may not hope for many new contributions to his subject from work-

<sup>1</sup> Palfrey's History of New England, Vol. III, p. 498, note. See also Proceedings American Antiquarian Society, New Series, Vol. III, p. 276.

<sup>2</sup> Hutchinson's Collection of papers, 1769, p. 543.

<sup>3</sup> Toppan's Edward Randolph, Prince Society Publications, Vol. IV, p. 113.

<sup>4</sup> Proceedings Massachusetts Historical Society, Second Series, Vol. XIII, pp. 20-27.

ing over ground already traversed by Palfrey, Trumbull, and Hassam. New material alone can aid him.<sup>1</sup>

The "Discourse" is reprinted from the Proceedings of the Massachusetts Historical Society and the facsimile of the manuscript title-page has been obtained through the courtesy of that society.

The names of Joseph Dudley, William Stoughton, Wait Winthrop, Simon Lynde, James Russell, Isaac Addington, Elisha Hutchinson, John Saffin, Adam Winthrop and Elisha Cooke are mentioned as being connected with the organization of this bank.

Joseph Dudley's career was continuously conspicuous, for during the greater part of his life he held office either by appointment or election. His name is to be found in "Appletons' Cyclopædia of American Biography" and his life was written at some length by Mr. Sibley in "Harvard Graduates." He figures of course in all the histories of New England. There is no occasion, therefore, for any extended notice of him here. It is enough to mention certain of the more prominent events in his career. He was president of the council after the annulment of the charter. After Andros was deposed, he was among those who were arrested and confined in the castle, and he was deported with Andros. Later he was appointed royal governor of the province, which office he held from 1702 to 1715.

William Stoughton was also a prominent man in Massachusetts. He served as an assistant for many years; was a member of Andros's council, and was one of those who wrested the Government from Andros.<sup>2</sup> In 1692, he was appointed lieutenant-governor, and at the death of Sir William Phips he became acting governor. He was chief justice of the superior court and held that office during the witchcraft trials. His name was honored at Cambridge by being associated in 1698 with the first Stoughton Hall which he caused to be erected, and the honor was perpetuated by the title being attached to the present building, after the first Stoughton Hall was

<sup>1</sup> It is stated in the Introduction, that Blackwell was for a time at the head of the government of Pennsylvania. Channing's History, Vol. II, pp. 125, 126. Blackwell corresponded with Penn on the subject of a Bank. Pennsylvania Colonial Records, Vol. I, p. 236.

<sup>2</sup> Neal's History of New England, Vol. II, p. 431.

torn down. The publicity of his career has also made his name familiar with readers of New England history and biography.<sup>1</sup>

Wait Winthrop, whose full name was Wait Still Winthrop, was a grandson of the governor. He was a councillor for about thirty years, held various judicial appointments, and took an active part in the overthrow of Andros.<sup>2</sup>

Simon Lynde finds mention in the *Memorial History of Boston*.<sup>3</sup> The sketch of his life given in the second volume is brief and unimportant. He was connected with the ancient and honourable artillery company, having served as a soldier in King Philip's war and having filled the position of clerk of the artillery company, as well as that of first sergeant. Comparatively little has been discovered concerning his career. He figures in the *History of the Ancient and Honourable Artillery Company*.<sup>4</sup> He was a councillor 1688-1689.<sup>5</sup>

James Russell was a conspicuous man in the colony for many years. He was a representative; was treasurer of the colony; was of the council of safety in 1689; was judge of probate; judge of the court of common pleas; and councillor. A brief sketch of his life will be found in the *History of the Ancient and Honourable Artillery Company*.<sup>6</sup>

Isaac Addington was for about a quarter of a century the secretary of the province, and his name in consequence is familiar to students of the period. He was generally known as Secretary Addington, although he filled the offices of speaker of the house, assistant, and judge in the course of his career.<sup>7</sup>

Elisha Hutchinson was a prominent man in his day. A sketch of his life will be found in the note to "Some additional considerations, addressed unto the worshipful Elisha Hutchinson esq.," etc.

John Saffin was not so prominent a person in the colony as he

<sup>1</sup> See *Harvard Graduates*, Vol. I, p. 194.

<sup>2</sup> See *History Ancient and Honourable Artillery Company*, Vol. I, p. 296.

<sup>3</sup> Vol. I, p. 586; Vol. II, p. 448, p. 558.

<sup>4</sup> Vol. I, p. 187.

<sup>5</sup> *Palfrey's History of New England*, Vol. III, p. 604.

<sup>6</sup> Vol. I, p. 212.

<sup>7</sup> *Memorial History of Boston*, Vol. II, p. 542.

would probably have been had his residence here been more permanent, but his name is linked with a controversy which is destined to make him much more conspicuous in the future, than many of his neighbors of greater social and political prominence. He came to Scituate about 1646, and went to Virginia in 1654, where he remained for a few years, when he returned to Massachusetts and entered into business. In this he was apparently successful, although some of his ventures were not altogether reputable. He is known to have imported negroes clandestinely from Guinea. In Massachusetts he held office as a deputy and was elected speaker of the house. His restless spirit, however, uprooted him from here, and he went to Bristol, where he was elected to the general court of Plymouth. In 1692, on the juncture of the colonies, he was appointed justice of the inferior court of common pleas. From 1693 to 1699 he was councillor. He was for a brief period a justice of the superior court of judicature.

He had a controversy with a slave named Adam, whom he had conditionally manumitted. The proceedings lingered in the courts for years and brought forth from Judge Samuel Sewall a brochure entitled "The Selling of Joseph," in which he pleaded for the emancipation of negroes. Saffin replied to this in a pamphlet entitled "A Brief and Candid Reply to a late Printed Sheet *Entitled* The Selling of Joseph," etc. The story of this controversy is told in the Transactions of the Colonial Society of Massachusetts.<sup>1</sup>

Adam Winthrop was a grandson of the governor, and was declared by the general court to be the proprietor of Governor's Island, for which he stood charged with the rental of two bushels of apples yearly to the general court. After graduation at Harvard College he lived for a while at Bristol, England, where he married, and after a few years returned to Boston. He filled many public offices, and the reports of the Boston record commissioners show that he was held in high esteem and was frequently made use of by his fellow townsmen. He was representative, councillor, commissioner, selectman, captain of militia, judge of superior court, and third ser-

<sup>1</sup> Vol. I, p. 85 *et seq.*

geant of the artillery company.<sup>1</sup> He was conspicuous in promoting the downfall of Andros.<sup>2</sup>

Dr. Elisha Cooke was a graduate of Harvard College in the class of 1657. He was in the prime of life when the Andros troubles occurred, and was one of the moving spirits in asserting the rights of the colony. His connection with these events and the responsibility that he personally had for Dudley's imprisonment brought upon him the hostility of Dudley, and when the latter was governor he negatived Cooke's choice for councillor, when the general court elected him, until the last year of his service as governor. When the question of a new charter was up, Cooke was uncompromisingly in favor of clinging to the old charter, and was unrelenting in his opposition to the charter of 1691. He sought for flaws in it and continuously advocated whatever doctrine would prove troublesome to its administrators. He was the founder of the opposition to the royal governors which was persistently maintained until it numbered amongst its followers a majority of the people of Massachusetts. He was wealthy, influential, and of social importance. His life is sketched in the *Memorial History of Boston*<sup>3</sup> and in *Sibley's Harvard Graduates*.<sup>4</sup>

I wish to acknowledge the assistance that I have derived from Mr. Henry E. Woods, Commissioner of Public Records, in preparing these sketches. His familiarity with the sources from which information could be obtained and his readiness to co-operate, has been of great service. Even though the result be that we are able to present only desultory and imperfect sketches of these lives, we have enough at our command to demonstrate the power of the body of men who organized this bank.

<sup>1</sup> *Harvard Graduates*, Vol. II, p. 249; *History Ancient and Honourable Artillery Company*, Vol. I, p. 295.

<sup>2</sup> *Neal's History of New England*, Vol. II, p. 431.

<sup>3</sup> Vol. I, p. 579.

<sup>4</sup> Vol. I, p. 520.



7.5 A 195  
**MODEL**

For Erecting a

**Bank of Credit:**

WITH A

**DISCOURSE**

In Explanation thereof.

Adapted to the Use of any Trading  
Country, where there is a Scarcity  
of **MONEYS**:

More Especially for his Majesties Plantations  
in *AMERICA*.

*Quò Communis èd Melius.*

---

*LONDON,*

Printed by J. A. for Thomas Cockeril at the Three  
Leggs in the Poultry, over against the  
Stocks-Market, 1688.





A  
M O D E L

For Erecting a

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L O N D O N,

Printed by J. A. for Thomas Cockeril at the Three  
Leggs in the Poultry, over against the  
Stocks-Market, 1688.

[1] A MODEL for Erecting a Bank of Credit Lumbard and Exchange of Moneys, Founded on Lands, Goods, and Merchandizes : To be undertaken and managed by Persons of good Reputation, Prudence and Estates, in a voluntary *Partnership*, as other Merchantly Affairs : Adapted for the Use of any Countrey, or Trading part, where there is a Scarcity of Moneys ; and, in want thereof, they are constrained to truck, or Barter by Commodities, &c. wherein is discoursed,

1. *Some things by way of Premise, touching Banks in General.*

2. *The Definition of such a Bank.*

3. *The Constitution.*

4. *The necessary Rules to be observed.*

5. *The Particular Advantages thereof, to those that shall voluntarily deal with such a Partnership.*

6. *Some of the most material and pertinent Queries and Objections thereto, Resolved and answered.*

7. *The Conclusion by way of Animadversion, upon the whole : Briefly,*

*Of the First, viz. Some things premised for Introduction, touching Banks in general.*

**M**oney, whether Gold or Silver, is but a measure of the value of other things ; yet hath for a long Succession of Ages (especially in the Civilized and trading part of [2] the World) obtained to be the usual, and best known means of Interchange.

This measure and way of Interchange, was originally occasioned by the experimented inconveniences of common

Barter; in which way, unless both the Parties dealing, have like occasion, reciprocally, of each others commodities, the less necessitous over-reaches the greater, by imposing the price of both, to his own advantage, and the others detriment, which is not Equal, nor can there be Equality, where there is no common standard between them.

But, whether the Mines fail, or Men have not been so foreseeing and industrious to bring in, to most Countrys, a sufficiency of Money or Bullion, wherewith to manage their increasing trades; or, that Traders, for want of other Returns, have been necessitated, for Ballance of the Surcharge of goods imported, to remit the Coyns of some Countreys into others; Or, for other causes (not necessary on this occasion to be further inquired into) 'tis now so hard to come by, in some places, for carrying on of trade, to answer the vastness of Mens attempts, and aims of increase in Merchandize, as that its found, in in Many Countreys, insufficient in this Age of the World: And that hath put divers Persons and Countreys, upon contrivances how to supply that Deficiency, by other Mediums; some of which have happily pitch'd upon that of Banks, Lumbards, and Exchange of Moneys by Bills, which have thriven with them.

[3] The two former of these, *viz.* Banks and Lumbards, have been set on foot in divers trading Countreys, by their respective Publique undertakings, and have succeeded to their abundant inriching. Perhaps others have thought that would have occasioned the overflowing of Moneys amongst them: Especially if they raised the values of Gold and Silver above the common Standard; but as they have been mistaken, or their Surfeit of trade hath obscured the visibility of it; and protracted more rational

Considerations of redressing, till it hath proved almost Fatal, to the impoverishing of their Countreys; So, the other having really experimented, that their Banks have been, as well with other Countreys, as amongst themselves, of greater value than the species of Gold and Silver: And yet, such places drain away the said species from the other, who under those mistaken apprehensions have Courted it, as the only reall good thing for a Country.

The Third, *viz.* That of Exchange of Moneys, hath been for the most part managed by the respective Merchants of all places; who in their particular dealings and Correspondences (fore-laying advantages to themselves thereby) have unaccountably controll'd it, and vary it often, in each Annual Revolution.

'Tis not to be doubted, but that all three of these may be accommodated and improved, to the publick Advantage of any Countrey: Especially, if managed in Partnership by private hands, being Persons of known Integrity, Prudence and [4] Estates: subjecting the annual Profits accruing thereby to the answering the Injury, damage, or loss, by their undertaking.

The best Foundation for such an Attempt, is, that of Real and Personal Estates, instead of the *species* of Gold and Silver. For, as a Bank of Moneys is liable to many casualties and hazards; so, the hoarding up of Moneys in Banks, necessitates the taking out the more Bills; which is one Malady this Proposed Bank will cure.

We shall therefore, at present, begin with, and principally discourse of the two first of these: *viz.* The Bank of Credit, as it may be rendred susceptible of the Second, *viz.* The

Lumbard, conjunct: accounting both the one and the other to be founded as aforesaid, *viz.* On Lands or Real Estates mortgaged, and staple durable Goods, and Merchandizes deposited: such as any Countreys Products and Manufactures will by Art and Industry produce and furnish.

Here might be also discours'd, A Lumbard for the Poor, by some called, *Mons Pietatis*: But that's fitter to be the Handmaid of the other; for, 'twill be too poor to encourage an undertaking by it self, or for a beginning: Neither will there to be any such necessity thereof, when this Bank is settled; forasmuch as this will imploy most of those, who are usually maintained in Idleness, if they will betake themselves to Industry, at such moderate wages as would enable them to live comfortably, without exposing their Employers to like Poverty with themselves. [5] And besides, this Bank of Credit and Lumbard when understood, and received in any Countrey with general Approbation, will in due time render that, as also the Third, *viz.* that of the Exchange of Moneys by Bills, the more intelligible and as usefull.

*Of the second Particular, viz. The definition of such a Bank.*

A Considerable number of persons, some of each Rank, Trade, Calling and Condition especially in the principal Place or places of Trading in any Countrey, Agree voluntarily to Receive, as ready Moneys, of and from each other, and any Persons in their ordinary dealings, Bank-bills of Credit, signed by several Persons of good Repute, joyned together in a Partnership, given forth on Lands of good title mortgaged, and staple unperishing Goods and Mer-

chandizes, deposited in fitting places to be appointed by the Partnership for that purpose; to the value of about one half, or two thirds of such respective Mortgages and Deposits: Which said Bills, through their experimented usefulness, become diffused by mutual consent; and passing from one hand to another, in a kind of Circulation, and under reputation of so certain a Fund, have at least equal Advantages with the Current Money or Coyn of any Countrey, attending them, to all who become satisfied to deal with them.

*Q.* But it may be said by some, This is a [6] very brief account, and requires further Explanation. We are yet Strangers to the Nature, and requisite Constitution of a Bank of Credit, and what lies on us to do, in order to our being made partakers of any benefits or advantages thereby, to such as shall voluntarily comply therewith; nor do we see clearly our security in so doing, nor upon what terms. Pray inform us of these things, so far as we may be safely guided into the way, and unto the end of it. Also, in case this Bank should terminate, how we shall be dealt withal, in the closing up of Accompts, so as may be without damage, either to the Bank, or to our selves. We doubt not but you have as well considered the end as the beginning. Though, if it prove useful, we can see no cause why a thing of so great advantages as are suggested, should procure any persons ill Will, or weariness of it. And we are also satisfied, that an affair of this nature, wherein the Persons and Estates of so many shall be involved (as it seems probable will be where it once gets footing) cannot suddainly be knock'd off but with inconvenience.

*Answ.* The clearing these Doubts you'll find in the particulars following. Therefore, now,

*Of the third Particular, viz. The Constitution of this Bank.*

**I**T is proposed that there be One and twenty Persons (or less) in the Partnership of this Bank: Whereof seven to be called Principal Ma[7]nagers; who, or any three or more of them may have the power of managing and governing the whole affair, according to the Constitution & Rules thereof; and fourteen Deputies, to be employed by them as Accomptants, Surveyors, Appraisers, Store Keepers, &c. All of them to be Persons of good and general Reputation for Integrity, Prudence and Estates: But, forasmuch as, at the first entrance upon such an affair, it may not be needful to ingage so many; That any three, five or seven of them (more or less) may be conceived sufficient to begin the same; and manage it until, by the coming on of buisness, it shall be judged necessary and encouraging, to settle the full, or some greater number of them. These may all be ingaged by Articles of Agreement, and Covenants in Partnership, to attend thereon, and be responsible for their doings, according to such Constitution and Rules in that behalf.

These are to receive all Proposals from any Persons touching their having such Credit thereout as they shall desire upon their said Estates of Lands or Goods respectively; and to contract and agree with them therein, at such values, and for such time as they shall judge the security proposed of either kind will admit, and to draw up, and perfect such Bank-Bills, Bills of Sale, Mortgages, Grants and

Defezances thereof, as Lands or Goods respectively shall require; and perfect the Counterparts thereof, to the Mortgagers and Depositors.

They are also to cause the said Mortgages and [8] Deposits to be laid up and stored, respectively, in as safe and convenient Rooms, and Ware-houses, &c. as shall be without exception, to prevent damage of Weather, Robbery, Fire, Water or Vermin of any kind, whereby they may be impaired, or dampnified, and all this under the trust and custody of such numbers of the said Partners, as no opportunity can be taken to impair or lessen the security, unless they should all agree therein; which cannot reasonably be imagined, being such as are proposed. But for the better security thereof, there may be continual watching on all such places; and it will be the Interest of all persons, any way concerned in the affairs and profits of such a Bank, to be careful to prevent, and to give Advertisement of any attempt made to the impairing and prejudicing thereof, for that their livelihood and dependences will much consist, in their preserving it in the greatest Repute; which upon the least violation, by those who are engaged in the management and trust thereof, will be utterly lost, and the Bank fall to the Ground.

These Partners aforesaid, must also enter into and oblige themselves by Covenants to, and with other Persons to be called Assessors of the Bank, and Conservators of the Constitution, Rules, and Instructions to be observed in the management thereof, for their diligence and faithfulness, in the discharge and Execution of their respective trusts, according to the said Constitution: and inviolably to observe the same, and all the Rules thereof.



[9] The said Assessors have also the Oversight and Contr-  
roll of the whole Affair: To see the same be so managed:  
and to that end are daily to inspect the management thereof;  
and that the said Rules be duly observed on both parts, *viz.*  
as well on the part of the persons dealing with them, as of  
the managers themselves, in every branch of the Bank, that  
all be done with Justice and Impartiality between them; to  
settle differences, in case any happen; and in the absence  
of the Managers, may supply that defect, by their personal  
transacting the same things, or allowing others as their  
Deputies. Also,

Each of the said Partners must deposit Moneys and other  
Estate in the Bank as a Stock or Fund, of their own; which  
be a further Security and Obligation upon them, for their  
upright dealings: For thereby every of themselves become  
personally interested, and concerned to be careful in every  
thing, that they keep the Rules; and all Persons concerned  
in the yearly profits thereof are liable, according to the Con-  
stitution, to answer the damages, as far as their respective  
shares thereof extend.

*Of the fourth Particular, viz. The necessary Rules to be  
observed in this Bank.*

1. **I***nprimis*, That the Partners in the management of the  
said Bank do sit in some convenient place, of the  
chief trading Town of each Countrey, from day to day, and  
[10] at such hours as the business and occasions thereof shall  
require; to receive Proposals from any persons, touching  
their having such Credit as they shall desire; and for draw-  
ing up and perfecting such Bank-bills, Mortgages, Bills of

Sale and Defezances thereof, as Lands or Goods respectively shall require; Also for giving information and satisfaction concerning the security, benefits and advantages accruing thereby, to such as shall desire to deal with them therein; and to take Subscriptions for that purpose.

2. *Item*, That whatsoever Person shall propose to Mortgage or Deposit any staple Goods or Merchandizes, Lands, Tenements or Hereditaments of a clear and good title, to the said Partnership, may have such and so many Bills delivered to him as shall amount to about the value or sum of one half, or two thirds of the said Estates; or more or less according as his occasions shall require, and the nature of the Depositors security will admit. Paying for the use of the said Bills, after the rate of four pounds *per Cent. per annum*, in like Bills, at the end of every six Months, for so long time as he and they shall agree for the same.

3. *Item*, That if at the Expiration of the term agreed for, the Mortgager or Depositor shall desire the continuance thereof, for such further time as the partnership shall judge the nature thereof will admit, the same shall be allowed upon the same terms; and if any person shall desire to redeem them sooner than the time agreed on, he shall have liberty so to do, paying only for such [11] time as they continue deposited or unredeemed. And shall be allowed to pay in any Even summs (not being under ten Pounds) in part thereof, if he shall think fit to do so, to lessen his Debt and charges.

4. *Item*, That the Redemption thereof be by Bank bills of Credit, or such other Deposits as the Partnership shall approve of. But if by Moneys in specie, that there be an Addition of Forty Shillings more in every hundred Pounds

paid in Money, than in the said Bills. For they desire not the ingrossing of Coyne, or streightning mens occasions thereby.

5. *Item*, That if it shall happen that any payments shall be made in ready Money, such Persons as having any of the said Bills in their hands, which they would have Exchanged to answer their occasions for Money, and shall seasonably desire the same, shall be accomodated therewith, upon the delivery up of Bills to such value.

6. *Item*, That there be One or more Persons allowed by the Partnership in the Nature of Merchant-brokers, to correspond between the Persons who have, and who want Moneys, and Bills respectively. to assist their respective occasions.

7. *Item*, That if any Person shall not redeem his Pledge, or pay his Interest at the respective times agreed on (being of Goods or Personal Estate, the continuance whereof may be hazardous) the Partnership, giving notice thereof, may Sell the same at the best Rates they can get, either in ready Moneys, or Bank Bills, rendring the Overplus to the Depositor.

[12] 8. *Item*, That if any Person be Rob'd of, or lose any Bill or Bills, by accidents of Fire, Water or otherwise. He may have them renewed, if he forthwith apply to the Partnership, and make a voluntary Oath thereof, before a Magistrate, expressing the Number, Value and Date of each Bill or Bills; and securing the Partnership against all after demands for the same Bills: It appearing by the Bank-books, that such Bill or Bills were issued thereout, and have not been returned.

9. *Item*, That all Bank Bills of Credit be Signed by two

or more of the said Partners, (whereof one to be a principal manager) who are thereby held, to oblige themselves, and all and every their Partners of the said Bank, to accept the same for so much Currant Moneys as shall be in them respectively mentioned, in Payment, for Redemption or purchase of any Estate in the said Bank, according to the Rules thereof: and that all such bills be duly entred, in Books to be kept for that purpose, and the Indented Counter-part thereof filed, before the same be issued.

10. *Item*, That all Goods deposited, be laid up and stored in such safe and Convenient Rooms, Warehouses, or Cellars, Yards or Docks respectively; for preventing damage of Weather, Robbery, Imbezlement, Fire, Water, or Vermin of any kind whereby they may be impaired, and be under such custody and continual care, as will probably render them more safe than in any Persons particular Custody, or Ware-house.

11. *Item*, That the Charge of Warehouse-room [13] be reasonable, with respect to the bulkiness or value of the Deposit; and be agreed upon between the Parties to, and inserted in, each Contract. In which respect it will be easier to many than to hire Warehouses of their own.

12. *Item*, That all persons having any Deposits in Bank-warehouses, &c. may have liberty, at seasonable hours, and in the presence of known persons, to be intrusted for that purpose, to view their Goods, that they be not imbezled, or dampnified, and to provide against the same: Also to show them to their Chapmen; and shall be assisted therein by the Romagers or Porters employed by the Partnership.

13. *Item*, That in case the Creditors of this Bank shall agree to desire, and accordingly Declare in Writing, That

there be a Determination put thereto : Or if on any other account whatsoever, the Determination thereof shall be judged necessary, by the Proposers and Managers of this Bank, and so declar'd in Writing (which cannot be without allowance and ascertaining of a reasonable time betwixt the said Creditors and Partnership for closing up the same, and the Acompts thereof, so as may be without damage to any or either of them,) That, as no person is or shall be compelled to accept Bank-bills of Credit, unless he shall voluntarily agree so to do, and for no longer time, nor otherwise than he shall so consent. So, no man paying his *premium* and charges aforesaid, for the Credit he hath, shall be compelled to Redeem his Pledge, being of Personal Estate sooner than the time contracted for, and the nature of the Deposit shall require : And to the End the Mortgager of Lands, of unquestionable good title may not be distressed, to his undoing, in case he should, by reason of such Declaration, be suddainly call'd upon to Redeem the same, (which may be impossible for him to do in some years, through the scarcity of Moneys) That all & every Mortgager of Lands in such case, shall or may have and take six years time, from and after such Declaration aforesaid, to be allowed unto him, his Heirs and Assigns, for Redemption of his Lands ; He or they paying after the rate of six pounds *per cent. per Annum*, in ready Moneys, at the end of every six Months, for the continuance of the Credit he had thereupon, from such time as the said Declaration shall be perfected, until he shall redeem the same : and that the Partners of this Bank shall or may have and take one full years time more, from the Expiration of the said six years, to be allowed unto them, for selling the said Lands, or such of

them as shall not, within the said six years be redeemed; whereby they may be inabled to receive, In, and Exchange all Bank bills then granted forth, into the now current Coyn or Moneys of this Country, or other moneys being not of more intrinsique value than what now passes: Or, otherwise satisfie for the same by such proportions of the said remaining Lands or other Effects, as shall be judged to be of equal value: Or by assigning or transferring to such Creditors the then Remaining Lands or other effects, at the same Rates or Values for which they were respectively Mortgaged or deposited. And in the mean time paying to all Creditors who shall then have any [15] Bills in their Hands, after the same rate of Interest, for so long time, after publishing the said Declaration, as the said Bills shall remain in the said Creditors hands, unoccupied; with Deduction and allowance only of the *Premium* contracted for, as aforesaid; and that such Bank-bills, as before such Declaration made, have been given forth, upon the real or personal Securities aforementioned which remain in the Possession of the said Bank, may and shall be esteemed, and pass as Currant Moneys, of the value of the present Coyn, in all Receipts and Payments whatsoever, during the said Term.

14. *Item*, That the foregoing Rules be attended and observed by all and singular Persons concerned therein, and who shall propose to deal with, and accept the Bills of Credit issued by the Managers of the said Bank of Credit, Lumbard and Exchange of Moneys proposed to be erected in any place, and managed by Persons in Partnership, as other Merchantly affairs.

*Of the fifth Particular, viz. The Particular Advantages of such Persons as shall voluntarily deal with the said Partners in these affairs ; which will appear in several Instances.*

*First Instance.*

A COUNTRY Chapman hath Lands, suppose worth to be sold for 400 *l.* and being willing to enlarge his Trade and Dealings, or make improvement on his Lands, as far as his Estate will enable him ; Or, having bought Goods, which he is indebted, and [16] cannot otherwise pay for, he mortgages his Land to the Partnership for 200*l.* more or less ; and thereupon receives several Bank-bills of Credit, for 200 *l.* &c. of several values from twenty shillings, and so upwards, to answer his occasions.

With these he buyes such Goods as he pleases, or payes his Debts for what he formerly bought of the Wholesale Shop-keeper, or Warehouse-keeper, in such Town or Towns of Trade as shall fall into this way of Dealing ; and, having Bank-bills to deliver for them, which are of better value by 40 *s.* in the 100 *l.* than Moneys, with this Society, as is herein evinced : he buyes much Cheaper than he could upon his own Credit, or with Moneys in specie.

The Shop-keeper goes to the Merchant, who thus agrees, and buyes of him other Goods, with the same or other like Bills ; wherein he reaps the same advantage as he gave his Chapman.

The Merchant buyes Corn, Beef, Pork, Fish, Hops, Lumber, Pitch, Tarr, Rozin, Skins, Furs, or any other of the Countreys Products or Manufactures, of the Husbandman, Grazier, Artificer, or maker thereof.

The Husbandman, &c. If a Farmer of Lands, payes his Rent, and purchases more young Cattel of his Neighbour, for Breed or Fattening, Or,

If an Owner of Land, and hath not sufficient stock to improve it, he also Mortgages his Land, and has Credit to furnish himself. Or,

If he hath sufficient Stock, and perhaps more than his present Farm can maintain, he hath his Eye upon a neighbouring Farm, or piece of Land [17] that would be sold; he Mortgages his own Land in the Bank, and hath Credit to buy the other.

If then he want Stock, he may also Mortgage the Farm or piece of Land last purchased; and have Credit to enable him fully to improve and stock both: Whereby he doubles his yearly advantages, and if he can then content himself to live as frugally, and be as industrious as before, he may soon compass to pay off his Debt, and redeem his Land. Or, he may continue the Credit he had, and take out more upon the Additional improvement; and thus increase his purchases and Estate, as long as such an help is afforded.

### *Second Instance.*

The like may be done for carrying on the opening and working in any Mines, Minerals or Quarreys of Stone, Lead, Tin, Iron, Copper, &c. thus *viz.* The Mine and Lands wherein the same is, may be Mortgaged as aforesaid, to supply the Owner thereof with Bills of Credit, for paying his Workmen, in any sum of Twenty Shillings, or above.

As fast as any of these Metals, &c. are wrought fit for Sale, if a Chapman be wanting, the Metal may be brought into the Bank, and the Owner Receive Bank-bills to the



value of about two thirds thereof, as aforesaid, to enable him to proceed on his Works: And the Metal lying in Bank is there readier for a Market than elsewhere, in his own Private House or Ware-house, at very reasonable rates for lying there, and may with allowance of the owner, be sold in his absence, by the Merchant-Broker before mentioned, at such current Rates [18] as he shall set, and he become Creditor for so much, to be discompted or paid him, whensoever he shall call for it.

*Third Instance.*

A Weaver of Cloth, Serge, or Linnen, &c. is employed in any Work-house erected or to be erected, to carry on those respective Manufactures: Also other Manufacturers, and Artificers, in Rope-making, Cables, Rigging, Sails, Anchors, or any other materials for the Fishing trade, Merchants, or building of Ships, &c.

The Owner of such Work-house, or materials respectly, consents to Mortgage the same, for one or two hundred pounds, more or less, in Bank-bills, as the work shall require, and the value of the house or materials will admit.

With these Bills, the Work-master or Overseer, buyes Wooll, Worsted, Yarn, Hemp, Flax, Dying-stuffs, Iron, Timber, Lumber, &c. of the Merchant, Ware-house-keeper, Countrey-man, or other Seller; and finishes 40, 60, or 100, peices, &c. more or less of any of the said Commodities; which when wrought up for a Market; if he want a Chapman, he brings into the Bank Ware-houses, as aforesaid; or such Yards, Docks, or other places as they shall appoint or agree: Takes up new Credit upon them, and leaves them there to be sold, at his own rates, as aforesaid. Or,

A considerable parcel of Wooll, Cotten, Yarn, Flax, Hemp, Oyl, Dying-stuffs, or other Goods for his use, and offer'd to Sale; he may pay one third thereof by his wrought up Goods unsold, and bringing these Commodities into the Bank, [19] may receive Bills of Credit for paying the other two thirds; which he may take out, in parcels, as he brings in any new wrought up Goods, or hath occasion to use them for working up more; and the Bank-ware-houses will be to him as *Blackwell-Hall*, &c. in *London* to the Clothiers, to assist his sale of them, without his trouble: For thither will all Merchants have incouragement to come, to seek supplies for Transportation, and find Goods always ready.

Other Instances might be multiplied, but by these it appears,

1. That the Manufacturer, &c. loses no time in looking out a Chapman.

2. Is always furnish'd with Credit to buy his Materials at the best hand.

3. The Merchant never trusts, nor Ware-house keeper; Or, if he do, the plenty of Bills expedit his Chapmans Sale, and consequently his payments. Whereby,

4. He has incouragement and stock presently to look out for more of the same, or other useful Merchandizes.

5. Sends forth the said Metals, Clothes, Stuffs, Linnen, &c. amongst other Merchandizes of the Product of his Countrey, or imported.

6. Makes return of Bullion Moneys, or other useful Goods, which are presently bought off with Bank bills. Or,

7. He may store them up in Bank Ware-houses, and receive present Credit, wherewith to send out again. And,

8. Thereby be inabled (at least) to double, or [20] treble his yearly dealings, and receive proportionable advantages. This,

1. Increases and quickens Merchandizing and trade.

2. Promotes Shipping and Navigation. Which,

3. Increases the Publique Duties, and consequently the Revenues.

4. Imloys the Poor in the mynings and manufactures forementioned.

5. They get Moneys by these Imployments.

6. That enables them to buy up all necessities for Cloathing, Victuals, paying of Debts, &c.

7. This helps the Consumption of, as well their own Commodities, as other imported goods and Merchandizes: for no Man, that hath wherewith to buy, will go naked or be hungry, &c.

8. This helps to civilize the Ruder sort of People; and encourages others to follow their Example in Industry and Civility.

9. Thus all sorts of Persons become inabled to live handsomly; and out of Debt; and that prevents multiplicity of Law Suits, and troubles to the Government: but none of these advantages may be expected, out of the small Pittance of Cash, that now is, ever was, or likely will be in any Countrey, unless assisted in Trade, and enriched by the help this Bank proposes. And so we pass to the Consideration

*Of the sixth Particular, viz. The answering some few of the most material Pertinent Queries, and Objections touching this Bank, viz.*

Q. 1. Can I have Moneys for Bank-bills, when I have occasion?

[21] *Answ.* 1. 'Tis not propounded, to be a Bank of Moneys (which is liable to inexpressible and unforeseen hazards), but of Credit to be given forth by Bills; not on Moneys advanced, as in other Banks, but (on Lands or Goods, as aforesaid), to supply such as cannot get Moneys (by reason of its scarcity) with whatsoever may be had for Moneys. *Yet,*

*Answ.* 2. As often as any Persons redeem their Lands or Goods, they must do it in Bank-bills, or with Moneys. If in ready Moneys, the Partnership may exchange Bills therewith, to such as desire it; and is afore provided by the Rules.

*Answ.* 3. However, this Bank is no occasion of straightening men that would have Moneys; but leaves them free; and in this case, the Merchant-brokers of the Bank will be helpful, between those who have and who want Moneys, and Bills respectively; as is likewise aforementioned in the said Rules. *But,*

*Answ.* 4. If it be made appear to you, that others who have Moneys, will be willing to change your Bank-bills into those species of Gold and Silver, and thank you for offering them the occasion (though the Bank Partnership do it not) you'll have no cause to decline the other advantages Proposed: Especially if you may both be gainers by the Exchange. Now, if I ow'd you 500. £. to be paid in Silver, which I could not do, but should propose to pay you in Gold, at the intrinsique coyn'd value, which if you part with again will yield you five pound profit, or more: Would you then refuse Gold?

[22] *Obj.* But how will you apply this, to make it Credible?

*Sol.* Thus, Whoever hath any payment to make in Bank, which (in probability if such Bank take effect in any Country) will be every Man that deals in above twenty Shillings at a time) will find, that we must pay forty Shillings more, in every hundred pounds of ready Money, than in Bank-bills of Credit; (as *per* the forementioned Rules of the Bank) which is about five pence benefit to the Exchanger, in every 20. *s.* No doubt then of having Moneys (by a little inquiry of the Merchant-Broker) at the value contained in the Bills, of all such as must redeem their Mortgages, and Deposits. But,

Bills, wherever Banks have been erected (though Money Banks) have always been of better value than Moneys in specie. Whereof three Reasons may be given.

(1.) For the ease of Compting and Carriage; and preventing damage to the Receiver, by Counterfeit, Clip'd, Light or base Cohn: (Which is obvious to all.)

(2.) For safety in Travelling, laying up, &c. As visible as the other.

(3.) For the advantage that is to be made by the Exchange, on the account of such Conveniences. Whereof take two Examples, *viz.*

(1.) The Bank-bills of *Holland* are ordinarily better than Moneys, by at least three pounds *per Cent.* And,

(2.) Those in *Venice*, by twenty pounds *per Cent.* and Laws made there to keep them from rising higher; for they were once at 28. *l.* *per Cent.* and not without some difficulty Reduced to twenty; so that each Bill of 100. *l.* is now Current at 120. *l.*

*Obj.* But how is that possible or Credible?

*Sol.* There is this account rendered of it (which has con-

firmation by many other Instances that might be given, concerning the Current Prices of many Commodities, which have not so much of Intrinsic value in them,) *viz.* The State of *Venice* propounded the Erecting a Bank to consist of two Millions of Duckets: Accordingly Moneys were brought in, Bills given out for the same value; and a stop put to the receiving, or giving out any more of either.

The usefulness of these Bills was suddainly found to be such in the practice and imployment of them, upon the three forementioned Accounts, that every Man, at one time or other, found his affairs required them; So, that at first, such Bills would not be parted with for Money, under ten Shillings *per* hundred pounds; and no sooner was that become the Current rate, but they were successively raised, by ten Shillings at a time, till they came to be, in every one's Estimation, *28.l. per Cent.* better than moneys in specie; and so past accordingly. Whereupon,

The State of *Venice* enacted several Laws against their passing so high: which failing to accomplish what was required, at length they conceived it necessary, in order to the bringing down the price, to propose the giving forth Bills for three hundred thousand Duckets more: By which means they [24] brought it back to twenty pounds *per Cent.* (which pleased the People) and there fixt it, as to it's rising higher afterwards, by a severe Law; since when, it stands so to this day: And this is no more than what is familiar in the price of other things, *viz.* Diamonds, Rubies, Pearles, Horses, Pictures, &c. which have their Estimation from the various Pleasures and Fancies of men, &c.

And, if it be demanded, what induced that State to allow it so high?

The Answer is easie, *viz.* The State of *Venice* had made use of the Moneys deposited, in their publick occasions (where observe the hazard of a Money Bank) and, having Promised, for satisfaction of Creditors, to raise the like summ, if they should have occasion for it, reap this advantage, of their Peoples high opinion of Bills, that, they are thereby assured, that, never, will any Creditor come to ask them 100*l.* for a Bill of 100*l.* when he may have 120*l.* from any other hand. A notable way to pay a vast debt. But, by means hereof, the Creditor has no other Fund or Security but the States Word: For, there is not one Ducket for them in Bank.

*Q. 2.* My Lands or Goods are already Mortgaged for Moneys, at a higher Rate of Interest; and the Mortgagee will not take Bills. Can such a Bank help me?

*Ans.* There may be Persons, of whom you may be informed at the Bank, who will advise and assist you therein: If there be Moneys in the Countrey to be had.

*Q. 3.* I have neither Lands nor Goods but a [25] Trade, by which I could live comfortably if I had a small Stock; and I could afford to give a greater Interest, and have Friends that would help me too, upon my own bond: But they have not Moneys. Which way shall I be help'd?

*Ans.* If your Friends have Lands or Goods, they may have these Bank-bills of Credit, at four Pounds *per Cent. per Annum*, to lend you at such Rates as you can agree: Whereby they also may be gainers, and have incouragement to help you.

Much more might be said upon this Subject, but these seem to be sufficient, for incouraging an attempt: And, the experiments of the things suggested will give such clear

Demonstrations of the Usefulness, advantage, necessity and security of such Banks, in most places, beyond all others that have been hitherto put in Practice, as those who are not so prompt to receive things into their understandings by the Notions of them, or are prejudiced by mistaken apprehensions about them, and, thence raise many impertinent Objections (not worth scribbling) may be presumed will follow other Examples, in wel-doing, when those are observed to thrive who go before therein.

*We shall therefore, for the Conclusion, which is the last Particular mentioned, to be Discoursed, summ up all, in this General Assertion, viz.*

**T**HAT there will arise many more Conveniences and advantages, by this Bank, to such Countreys where they shall be erected, than have been enumerated, in the several foregoing instances; or, well, can be.

[26] 1. By this, the Trade and Wealth of any Countrey is establish'd upon it's own Foundation; and upon, a *Medium* or Ballance arising within it self, *viz.* The Lands and Products of such Countrey, and not upon the Importation of Gold or Silver; or the Scarcity or Plenty of them, or, of any thing else imported from Forreign Nations, which may be withheld, prohibited, or enhansed, at the Pleasure of others.

2. The Native Commodities of such Countreys will thus become improved to a sufficiency (at least) for their own Use; and thereby afford a comfortable subsistence to many ingenious and industrious Persons, in such Countreys, who



know not how to subsist: Especially such as are Banish'd, or inforc'd to forsake their Native Countreys, by reason of the heat of Persecution, upon the account of Religion.

3. It will not be in the power of any, by Extortion and Oppression, to make a Prey of the Necessitous.

4. The Fishery of such Countrey, as lye convenient for it, may be improved; and the Navigation and Shipping increased, for Use or Sale.

5. The Publick Revenues thereof, in consequence of these, will be augmented.

6. The Rents of Lands, yea, the purchase value thereof, will rife; For, the Plenty of Money, or a valuable Credit equivalent thereunto and the Lowering of Interest, must necessarily have that effect.

7. It will supply the defect or scarcity of Moneys in specie until by the settling of Manufactures, &c. (which this Bank proposes) the Products of such Countrey for Exportation shall come to Ballance or exceed the value of it's Importations; [27] which afterwards will necessitate the bringing in of Moneys, as fast as the want thereof hath carry'd it away. For, the true Ground of the Plenty or Scarcity of Moneys in any Countrey, is not the high or low value of the Money (as some erroneously conceive) but, that the value of goods imported from other parts hath been greater than that of the Export. The ballance whereof must necessarily be answer'd with Moneys, and for the same Reason, Revers'd, the Export of goods when brought to exceed the value of the Import, must, as necessarily bring it back again to such proportion as the Export can be raised. And whatsoever other means may be suggested for furnishing of Moneys must be fruitless, for, there will abide no more than such

proportion; let what value will be put on Moneys above the currant price thereof in other Countreys with whom they shall Trade; which may be further evidenced, if this hint thereof be not sufficiently intelligible. To which may be added, That the less need there is of Moneys in Specie, by reason of such Currant Credit, the more will be the increase of Money it self; as is manifest in *Holland, Venice*, and all places where Bank-Credit supplies the Defect of those species; at least, the Money that remains in such Countreys, will be at greater liberty for such petty occasions as cannot be so well accommodated by Bills.

In order, therefore, and as Prævious to the entring upon such an affair, 'tis requisite that other Queries be propounded and resolved, *viz.*

Q. 4. How shall it come to be known whether a sufficient number of Persons, of all Ranks, Trades [28] and Callings, will deal with this Bank? The Reasons of which Inquiry are these, *viz.*

(1.) It will be of use to the undertakers of such Bank to know it, for their incouragement in their entrance upon this affair. And,

(2.) In such others as would take the Bills, if they were satisfied they could buy such Goods, &c. as they want, with Bills, at as easie rates, as if they had ready Moneys to give.

*Ans.* 1. It will be requisite, that a short Declaration be tendred to be subscribed by some Persons of all Ranks, Trades, and Callings; signifying that they will accept the said Bank-Bills of Credit, in their ordinary future dealings of buying and selling, or other traffiquing affairs, whereupon they are to receive Moneys, for so much ready Moneys as shall be in such Bills mentioned, upon the terms and accord-

ing to the Rules of the Bank: Saving to every Man his specialties, and particular Contracts.

*Ans.* 2. That such as shall so declare themselves, by Subscription (or otherwise) may be put into Alphabetical Lists; and, such as take forth Bills may be informed of the Names of the said respective Persons, their Trades or Callings, and Places of Habitation. But,

*Q.* 5. It may be further inquired, *viz.* What if some sorts of persons requisite for a universal Circulation of Bills, will not, in all cases, ingage to accept Bank-bills: but some will wholly Refuse them, and cry up moneys, inhans'd to a higher Rate than they pass at in other Countreys, &c. Others will be for either, or both, as they find it for their advantage, &c.

[29] *Ans.* It's not necessary that all should, in all cases, oblige themselves to Bills as long as there is moneys to be had: But if there be not a sufficiency of that for carrying on of Trade, &c. as, this Bank hinders not the Currency of moneys, but that may be employed as far as it will go, (which, for the most part, during the scarcity of it, will be in small dealings,) so, the Bills will be found usefull to supply the defect. The needful proportion whereof will soon be understood; and each Person will cast his business, and make his contracts accordingly: And consequently, this need not hinder, or discourage the attempt; if there be a competent number of each, or most sorts, that cannot, otherwise, deal as they would.

*Q.* 6. And, if any shall inquire, What number of Merchants and other Tradesmen may be sufficient (at first erecting such a Bank) to assist a Circulation of Bills in Trade, in case some should, not only withdraw from, but, obstruct,

and misrepresent the Affair, or persons managing it, as not having the publick approbation, or Sanction of the Authority of a Countrey which they may suggest to be necessary? It's answered,

*Ans. 1.* A few Merchants in any Countrey who are General Traders (by the help this Bank proposes, in the foregoing Instances,) may be sufficient to give encouragement for the Entrance upon this Affair; and so many Shop-keepers Artificers, &c. as must and will deal with them. For,

*Ans. 2.* It may reasonably be presumed, that, many, in the practice of the thing, will apprehend the necessity, usefulness, and security, thereof, who cannot easily take it up in the Notion; or by discourse; and that such will come in by Degrees: for, if, (being Merchants) they stand out, such of their Chapmen as shall find it their interest to sell for Bills, must buy again of others who will take them in payment; and finding themselves well used by such, will hardly return where they have been refused: and, if of other Professions, they must either sell little, or do it on Trust, or wait for payment till moneys grow more plentiful; whilst others carry away the whole trading amongst them.

*Ans. 3.* This part of the Merchants Calling, is, in every respect, as Free and lawfull, for any to undertake, and needs no more of publick encouragement or Countenance, than that part of buying and selling (at home or abroad) with or for ready money, time, or Barter, which they better understand and practise. And the managers hereof may as well expect a benefit by it as the others: Forasmuch as it will no less take up their time to attend; and will be an improving the trade of any Countrey, no less than the other: And lastly, has its hazards attending it; for the profits accruing thereby,

are, in the first place assigned, by the Constitution and Rules thereof, for making good all losses and damages that may happen, in the management of this Affair.

*De te Narratur, N. A.*

*F I N I S*

[31] A Supplement or Appendix to the Treatise Entituled,

A MODEL for Erecting a Bank of Credit, &c, Or, An account of some of the many Prejudices that will Inevitably ensue, as well to His *Majesty* as to his Subjects by enhansing the value of Spanish *Coyns* &c. above his *Majesties*. Together with the most probable means for Preventing thereof, without damage to any. *viz.*

*Prejudice.* 1st. To the KING; and that in a double respect.

First, In point of Honour and Royal Dignity. *viz.*

1. *That the Stamp or Coyn of any Prince should be preferr'd to his Majesties, Especially by his own Subjects, it being so sacred a Badge of Royalty and Dominion.*

2. *That any part of his Dominions should, by so doing be proclaim'd to be reduced to such indigence, in Scandal of Government.*

Secondly, In point of Profit. *viz.*

[32] **T**HAT any European Princes should so far divide or Share with his Majesty in the Royalty and Profit of Coynage; and be thereby invited, not only to put off their Moneys to so great enriching themselves, and impoverishing his Majesties Subjects: But to raise the value of their moneys upon all other Princes: To the confusion of trade, by altering the agreed or used measure or standard amongst them.

2. That by such a course (Especially at such a time as this, wherein his Majestie is settling and Establishing his Revenue) the whole should be Regulated by a Temporary advance (for a present turn), which, when Reduced to his Majesties Standard (as no doubt it will soon be judged fit to have it so) will be Detrimentall to his Majestie in all future times.

*Prejudice. 2d. To his Majesties Subjects. viz.*

1. To such as have contracted for money, current at the time of the Contract, and by this means shall come to be paid in other moneys really less in value; which carrys great injustice in it; whether such contracts be for goods or Merchandizes, ancient Rights and Rents on Leases, Annuities or Perpetuities. &c.

2. To such as live upon Pensions, Salaries, Wages; Civill, Military or Ecclesiasticall, Establish'd by Law or other wise. Also to Handicrafts men, Artificers Labourers, Servants, &c. who will (in time) become pinch'd thereby, viz. Upon Raising the Prices of Victualls, Cloathing, and other Commodities (an usuall consequence of raising moneys) which will be a great Oppression, &c.

3. To the whole Community and body of his Majesties Subjects inhabiting such Country (except the first importers of such Coyns) For, they must all Expect to pay for what imported Goods they need, proportionably to such advance of Coyns: as is apparent in the advance of *Twenty-Five Pound Per-cent* on all goods imported into *New-England*.

Object. 1. *But will they not all have opportunities of paying away the money they receive, at the same Rates they receive it?*

Asw. Though they do, That will help little: For, they cannot buy the same Commodities with it, as they might have bought with the moneys for which they Contracted: and consequently will be Damnified so much more thereby as the Prices shall be raised.

Object. 2. *Princes and States may give what values they please to moneys by enhansing or Lowering of them: And (say some) by this means, we shall not only have moneys brought in, but keep what moneys we have from being Transported, which occasions our present Scarcity and decay of trade:*

Asw. The Question is not about the Power, but profit or Princes, in giving new raised values to other Princes moneys. And the Ob-[34]jectors Assertion is a great Error. For he considers not,

1. What it is that is the Real cause of the Scarcity of moneys, viz. The Actual Transporting the Ballance or Over plus of the value of goods imported, above the proportion of the value of the native products exported; which (Exceeding) must of necessity be answered by moneys in specie; and consequently, what ever rate moneys be current at (though it should be double the usuall value) it will be ex-

ported; and the higher the rates be, the more must be Transported for the ballance. Nor does he consider,

2. That money will retain the same proportion in value to other things, as, the Generall consent of other Nations and Countrys with whom the dealings are, does give it. By which it comes to pass, That if the price of moneys be raised by any Prince or state to any proportion whatsoever, above the common and intrinsique value, the Price of all foreign goods imported into such Country, will be proportionably raised upon the People by the Importer. For Example, Imagine any Country should have its Coyn raised from *Five Shillings per ounce*, Sterling Silver (which is *Three pence* each penny weight) to *Six Shillings Eight pence per ounce*, or *Four pence* each penny weight, which is one fourth part (*as in New-England*) the Importer might and will sell his goods there, at above one fourth part more [35] in price than he was wont to do; or he shall lose by his Commodity. And therefore the first thing he will consider in his Sale will be, the intrinsique value of the payment, whether it be in money or goods; and hee'l be sure so to deal as to lose nothing by either; but the Country shall pay the more, which he'l take away with him, in the money so raised in Denomination.

Obj. 3. *But you'll say, perhaps, as imported Goods will be raised in value, so will Exported: and that will counterpoise the Damage.*

Ans. 1. Suppose that, yet it will not keep the overplus of the ballance in such Countrey; which is the evil predicated. But,

2. It will be difficult for any Country, and (especially for *New-England*) to raise its wonted known price of its Native Commodities, for a considerable time; perhaps for some



years: which the present circumstances of *New-England* cannot bear: for, while the grass grows, (as the proverb is) the Steer will starve. And 'tis more probable, that as the Country grows more populous and improved, its products will multiply; and consequently abate in price: But suppose the price to rise proportionably with the mony; 'twill then bear hard on most of the parties before enumerated, whose settled wages, Rents, &c. will remain what they were.

Quest. *These are Labrinths it's confest. But it's evident (may New-England-men say) that we cannot hold out long under such pinching circumstan-[36]ces as we are reduced unto, for want of Moneys. We must therefore run the hazzards; unless some expedient be suddainly applied: The Shop-keepers must break; and they'l break their Merchants; and they their Principals, &c. Is there any Remedy?*

Sol. The most probable, is humbly offered in the particulars following, *viz.*

1. By some Act or Proclamation, That in all payments on future contracts, all sorts of forreign Sterling Silver shall pass by weight, at the value of his Majesties English Coyn.

2. By sumptuary and Trading-Laws for Ballancing the importations of such Commodities as are most useful, with the Exportations of the manufactures and products of the Country that may be best spared, after the utmost improvement made of them: which may be easily contrived to become practicable.

3. Now, That there is so little of the Coyn of this Country remaining in Trade, it may be the easier reduced to pass at it's equal intrinsique value compared with his Majesties *English* Coyn; by passing the several pieces here Coyned at the several values respectively adjoyned as followeth, *viz.*

[37]

The pieces Coyned in <i>New-England</i> for	{	12 d	to pass for 9 d	English money
		6 d	— for	4 d $\frac{1}{2}$
		4 d	— for	3 d
		3 d	— for	2 d $\frac{1}{4}$
		2 d	— for	1 $\frac{1}{2}$
		1 d	— for	. . $\frac{3}{4}$

But these things, and the manner of doing them effectually, are considerations fit to be submitted to his Majesty and Council, who best know how they will comport with his Royal Interest and Leagues with other Princes, &c.

*Q. Will not this be unjust? especially to such as have store of these moneys lying by them?*

*Sol.* Not at all: for, they now pass really for no more than according to those rates proposed, *viz.* Twelve pence for Nine pence, &c. The difference lying not in the intrinsic value or current use, but in the Denomination only, *viz.* That nine pence is stamp'd and called twelve pence: They will still buy as much therefore, for their shilling when called nine pence, as they were wont to buy when called twelve pence; but,

*Obj. 4. This will cause all the present moneys of this Country to be transported; and what shall we do then?*

*Ans.* That's answered and provided for

[38] 4. By the Bank of Credit; Lumbard and Exchange of moneys propounded, which will both supply a necessary proportion of Credit as good as money for carrying on of Trade, till the balance of Trade be settled: and then cause moneys to be brought in as fast as ever it went out. For, as hitherto the Import of Goods, having been of greater

value than the Export, hath drawn away the moneys of this Country, for the necessary ballancing of Accompts; & will so do whatever the value of the Coyn be set at (as is before shewed) so, for the same reason (Revers'd) the Export of Goods thence, when it shall come to be of greater value than the Import (which such Bank will assist, in the way and manner, and by the means suggested) must as necessarily bring it back again to such proportion as the Exports can be raised; to the enriching and Flourishing of his Majesties Subjects in this his Territory of *New-England*.

He that cannot see this is darkened by unaccountable prejudice, &c.

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## FINIS.

NOTE TO THE "MODEL FOR ERECTING A BANK," ETC.

LONDON, 1688.

The story which was referred to in the Introduction, of the discovery of the inserted leaves in the editions of "The Model for erecting a Bank," etc., London, 1688, which have been preserved was fully told in a communication to the American Antiquarian Society, made by myself at the October meeting, 1907, and separately published under the title "Was it Andros"?<sup>1</sup> A comparison can readily be instituted between the inserted pages (7 and 8, and 13 and 14) in this reprint, and the corresponding pages in the reprint of the 1714 edition, which will be found in this series immediately following the note to "Some additional considerations," etc.

Any person who will take the trouble to arrange the material of which the "Model" is composed in the same order as that in which the contents of the "Discourse" are presented to the reader, will

<sup>1</sup> Proceedings, New Series, Vol. XVIII, pp. 346, 361.

recognize the common origin of the two. If the London pamphlet, bearing date 1688, was not at the time when the "Discourse" was being prepared for publication, in the hands of the author of the "Discourse," that is to say in 1686 or 1687 if we accept the date given on its face, it is at any rate clear that the substantial authorship of the two pamphlets may be attributed to the same person. It is another matter whether that person was Blackwell. It would seem more probable that he had before him a copy of the manuscript from which the London pamphlet was printed, the material of which he rearranged and modified to suit his taste.

The copy of the text and facsimile of the title-page were obtained through the courtesy of the Boston Athenæum. The volume may be described as a 16 mo. of thirty pages, which now measure  $5\frac{5}{8}$  by  $3\frac{1}{2}$  inches. The supplement was eight pages in length. The pages have been trimmed so close by the binder that in some instances the final letter or perhaps two letters of a word are missing. Although these missing letters could easily be supplied, without making use of the copy of the pamphlet in the Boston Public Library, it has been thought best to supply these omissions as far as possible by consulting that copy. Unfortunately the latter also has been treated in a similar way and in a few instances the missing letters have been supplied from the reprint of 1714, which follows the original so closely as to be available for this purpose.

Boston 1691 179

Some Considerations on the BILLS  
OF

# CREDIT

passing in NEW-ENGLAND.

Addressed unto the Worshipful,

JOHN PHILIPS Esq.

Published for the Information of the  
INHABITANTS.

Treasurer.

is told, and am apt to believe it;  
That the Exchequer in Silver Runs ve-  
ry low; Nor can I think that the  
General is much better furnished.  
an honest and good method you  
pay by Bonds what you could not by Ready



(1)



Some Considerations on the BILLS

O F

# CREDIT

Now passing in *NEW-ENGLAND*.

Addressed unto the Worshipful,

JOHN PHILIPS Esq;

Published for the Information of the  
INHABITANTS.

*Mr. Treasurer,*

I Am told, and am apt to believe it, That the Exchequer in *Silver* Runs very Low; Nor can *I* think that the Country in General is much better furnished. 'Twas an honest and good method you took, to pay by *Bonds* what you could not by *Ready* [2] *Cash*. I therefore cannot a little wonder at the great indiscretion of our Countrymen who Refuse to accept that, which they call *Paper-mony*, as pay of equal value with the best *Spanish* Silver. What? is the word *Paper* a scandal to them? Is a *Bond* or *Bill-of-Exchange* for 1000 l, other than Paper? and yet is it not as valuable as so much Silver or Gold, supposing the Security

of Payment be sufficient? Now what is the *Security* of your Paper-mony less than the *Credit of the whole Country*. If the Countries *Debts* must be paid (as I believe they must, and I am sure in justice they ought) whatever change of Government shall come, then the *Country* must make good the *Credit*, or *more Taxes* must be still Raised, till the publick Debts be Answered. I say, the Country, and not the *Gentlemen* who *Administer* the Government, who are but the *Countries Agents* in this Affair. *All the Inhabitants* of the Land, taken as one Body are the *Principals*, who Reap the *Benefits*, and must bear the *Burdens*, and are the Security in their *Publick Bonds*. What do the Gentlemen get, but their labour for their pains, and perhaps not a little Obloquie into the bargain? can all their *Estates* (with all their *Gains*, if there were any) bear the *charge of Government* for the whole land? no, no, it cannot be supposed. If any murmur at [3] their management as ill, and that they have needlessly drawn the Charges upon us; pray tell them, as long as they enjoy the *Choice of Administrators*, they must hear what's *past*, and right themselves for the *future*, by chusing better next, if they Know where to find them. So Merchants do with their Factors, and 'tis their only Remedy.

You know Sir you and *I* have had some former Discourse about the *Nature of Mony* That (as such) it is but a *Counter* or *Measure* of mens Proprieties, and Instituted *mean* of permutation. As *metal* indeed it is a commodity, Like all other things, that are Merchantable. But as *Mony* it is no more than what was said, And had it's *Original* from a general ignorance of Writing and Arithmetick; But now these Arts being commonly known may well Discharge *mony* from the conceited Necessity thereof in Humane Traffick. Is not



*Discount* in Accounts current good pay? Do not *Bills* Transmit to Remote Parts, vast summs without the intervention of *Silver*? Are not *Taxes* paid and received by *mutual Credit* between the Government and the People, The Government requiring the Country to give them Credit where-with to pay the Countries Debts, and then again receive the same Credit of the Country as good pay? 'Tis strange that in the mean-[4]while between the *Governments* paying the People, and the *Peoples* paying the Government: The Governments (or rather the *Countries*) *Bills* should not pass between *Man and Man*. 'Tis strange that one Gentlemans Bills at *Port-Royal* for divers years, and that among Forreigners; or another Gentlemans *Bills* in the Western Parts for as many or more years should gain so much Credit as to be current pay, among the Traders in those places; yea, that the Bill (as *I* have heard) of any one *Magistrate* in the *Western English Plantation*, shall buy any Commodities of any of the Planters; and yet our people (in this pure air) be so sottish as to deny Credit to the Government, when 'tis of their own *Chusing*: Had the *single Gentlemen* (above named) a good bottom for their Credit in their *Ware-houses*, and are not the whole *Estates* of the *Massachusetts* as good? Is the Security of one Plantation-Magistrate, better than that of *All* the *Massachusetts Representatives*? can that one *Magistrate* give force to the Contracts, and cannot *All our Government* do the same.

Certainly Sir were not peoples Heads Idly bewhizled with Conceits that we have no *Magistrates*, no *Government*, And by Consequence that we have no *Security* for any thing, which we call our own (a *Conse*-[5]*quence* they will be Loth to allow, though they cannot help it, If once we are Reduced

to *Hobs* his state of *Nature*, which (says he) is a *state of War*, and then the *strongest* must *sake all*) I say if such foolish conceits were not Entertained, there would not be the least Scruple in accepting your Bills as Currant Pay.

If you should require the Country to pay their *Taxes in Silver*, that so you might be enabled to bear the charges of the Government by Silver, when such quantity of it as is needful for that purpose cannot be had in the Country, or at least not in any proportion to be procured, unless men (according to the Proverb) should *Buy Gold too Dear*, and so Ruinously undervalue the fruits of their Labours: and their Lands. This were to require men to *Make Bricks without Straw*.

If you Require the Taxes in *Corn* at an *overvalue*, with I know not what *Abatements* if they bring in Mony; which is to set up (in my Understanding) a *Measure*, and a *Measure* (a thing which Cod allows not) And then if the Government pay the charges of *Conveyance* from *Remoter-parts*, and bear all Damages afterwards, what will it amount to when all Charges and Damages are allowed; perhaps scarce two shillings to the Government, of five shillings from the Country; and when [6] will the publick Debts be paid? or when will be an end of Taxing? Certainly (what-ever were intended by the Proposers of this way of Tax) the Tendency of it is only to render the *Government odious* by a great noise of *Taxes*, when little comes thereby; a great cry of Hog-sheering, when there is no Wool.

If neither *Silver* can be had, nor *Corn* brought in without loss both to the Government and People, what remains but *Accounts*, *Bills*, or such like *Paper-pay*? and certainly this necessity may (if I mistake not) bring to the whole Country no small advantage; for

1. Is there not hereby 40,000 l *Running Cash* in the Country more than *ever was*, if mens folly hinder not its Currency? yea and more than they are *ever like* to have, so long as they cannot Keep Silver in the Country, which they will never do while the *European Trade* continues, and that is like to be as long as we are a people. *Silver* in *New-England* is like the water of a *swift Running River*, always coming, and as fast going away; one (in its passage) dips a Bucket-full, another a Dish or Cup-full for his occasions; but if the *Influx* of plate from the *West-Indies* be stopt but for a little while, and the *Efflux* in Returns for *England* continue will not the Mill-pond be quickly drained, [7] so as neither Bucket nor Cup can dip its fill? Whereas on the contrary,

2. This our *Running Cash* is an *abiding Cash*: for no man will carry it to another Country, where it will not pass; but rather use it here, where it will (or at least) *ought*: and then only the *Growths of the Country* will be carried off, and that will be no Damage but rather an Advantage to us.

3. If this be made Currant, the *Credit* of the Colony will *rise* to the utmost height of it's ability on all Extraordinary Emergencies; whereas otherwise you may be quickly Distressed; for if the Soldiers cannot put off their Pay to Supply their necessities, who will hereafter serve the Country in their greatest Dangers, and if the Merchants cannot Buy as well as Sell for Credit, how shall they carry on their Trades? and how shall they'l end upon great occassions if the Countries Bill lie dead on their hands? surely they'l no more trust the Country, whatever suddain need we should have, unless on the bare-consideration of their own Security.

There is indeed a way found out by poor mens Necessi-

ties to make the Bills passant: namely by *Selling* them at *Under-rates*. Thus the poor *Soldier* is horribly *injured*, who have adventured their lives in the publick Service, and the *Government* made *contemptible* as not worthy to be trusted. I remember many years since, there was such [8] a prank plaid in *England* and *Ireland* after the War. Some bought up the *Soldiers Debenters* at very low Rates, and then with half Debenters and half Mony purchased great Estates in Kings and Bishops Lands, (a fine Trade they made of it if it had held) but God shook his Lap at this dishonest and inter-losing gain; and a great unexpected Revolution made them lose both their Lands and Mony. Thus the woman shook her Dog by the Collar, till she made him Disgorge again all her Puddinge.

A better way (in my opinion) to make the *Credit passable* without Interruption, is

1. To Raise the Rates of those above the *common Standard*, whom you catch Tardy in Debasing the Credit of your bills either by purchasing them with little mony; or selling commodities for them at Excessive dearer Rates.

2. Let all refusers to receive them have forthwith their *Taxes* demanded in *Silver*, nor let them have the benefit of paying *them*, who will not also Receive them. And in like manner several such, as shall at any time reproach them as a *Grand Cheat*. Who is it but *they*, that makes 'em so.

3. What if the *General Court* Declare by a Law, that if any man tender these Bills for payment of his Debts to be accepted at their full value, which the Country has put upon [9] them; If any private person will not receive them so, That then the Government will not concern themselves for the recovery of those Debts, till all the *Publick Debts* are

discharged. It is a known Maxim of Law in *England* (and I think in all other Countrys) that *of Debts, The Kings must be first paid*. And great reason for it; for why shall the Government secure *others Debts* by Law; and not *their own*? now if these refusers stay for their Debts till the Country be first serv'd they may stay till they are weary. And if hereafter they resolve to make no more *Debts* (for fear of this Law) I believe their Trading will be very dull. Whereas (on the Contrary) if they shall accept the *Bills*, 'tis probable their Debts will come in apace; their Trading will revive, and the Countries Credit become Currant.

To conclude [*Fas est et ab Hoste Doceri*] The *French* (I hear) at *Canada* pass such *Paper mony* without the least scruple; whereby the Government is greatly Fortified, since they can at all times make what they need. Now if we account our selves to Transcend the *French* in *Courage* 'T is a shame for us to come so far short of them in *Wit* and *Understanding*.

These are my present thoughts, which you may communicate as you see cause; meanwhile please to accept them as Really intended for the Public good. By A well wisher to *New-England* & your *Humble Servant*, &c.

NOTE TO "SOME CONSIDERATIONS ON THE BILLS OF  
CREDIT NOW PASSING IN NEW ENGLAND," ETC.

This pamphlet is to be found in the Boston Athenæum, and in the Watkinson Library at Hartford. The copy which was originally prepared for "Tracts relating to the Currency of the Massachusetts Bay" was made from the volume in the Athenæum and certain missing portions were obtained from the copy in the Watkinson Library. The facsimile of the first page was obtained from the Athenæum.

The obligation for this courtesy on the part of these libraries was acknowledged in "Tracts relating to the Currency," etc., but as we profit by it we ought perhaps to renew our expressions of obligation for this and for access to the pamphlet for purposes of comparison.

The original pamphlet was published in connection with another which was entitled "Some additional considerations," etc., and the pagination of the two was continuous. Together they constituted a small pamphlet of twenty pages in length.

The authorship of "Some considerations on the bills of credit now passing in New England," etc., has been attributed by the late J. Hammond Trumbull to Cotton Mather. This assignment is based upon the typographical methods of designating emphasis, as well as upon the similarity of the views expressed in the pamphlet to the opinions set forth in the life of Sir William Phips, in *Magnalia*.

John Philips, or Phillips, as the name is generally spelled, to whom the considerations are addressed, was Cotton Mather's father-in-law. He lived in Charlestown, was a colonel of the militia, and in 1685 was elected a captain in the Ancient and Honourable Artillery Company. He was a representative from 1683 to 1686; was one of the committee of safety in 1691;<sup>1</sup> was a member of the council by election in 1691, and was also one of the councillors appointed in the charter. He remained by election a member of the council until 1714. He was treasurer of the province in 1692 and 1693, and was judge of the court of common pleas for Middlesex County, 1702-1715. He was appointed a commissioner to treat with the Indians in 1698 and again in 1701. The connection of his name with "Some considerations," etc., is probably due to his being at that time a councillor. He was one of the committee appointed in the act of 1690 to sign the bills of public credit.<sup>2</sup>

<sup>1</sup> Hutchinson's *History of Massachusetts* (1795 edition), Vol. II, p. 340.

<sup>2</sup> *Currency and Banking in the Province of the Massachusetts Bay*, Vol. I, p. 11. See also *History of the Ancient and Honourable Artillery Company*, Vol. I, p. 263; *Memorial History of Boston*, Vol. II, p. 313, and note; *First Essays at Banking in New England*, in *Proceedings American Antiquarian Society*, New Series, Vol. III, p. 267. Certain statements derived from these authorities have been modified, after consulting Vols. I and VII, *Acts and Resolves of the Province of Massachusetts Bay*.

Some Additional Considerations Addressed  
unto the Worshipful

ELISHA HUTCHINSON, Esq.

By a Gentleman that had not seen the  
foregoing Letter

56

1. **I**f it is manifest, the Country is plunged into Circumstances that require *heavy Taxes* to preserve us from ruines; that would be thousands of thousands of Pounds *heavier* than our most heavy *Taxes*; without great Charges it is impossible to pay the just *wages* of them: that have bin in the Publick Service; to defraud whom would not only be an *Impudence*, which must in a little time leave us without all defence, but also an *Injustice* that would cry in the Ears of the *Lord of Hosts*. Besides there is a necessity of great *Expenses* to Fortifie our selves against the Inroads of Enemies; we at this day have ground to expect, and ought to be prepared for.

2. For any to *Grumble* at the Raising needful Taxes to defray our publick charges,

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*Sir,*

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2. For any to *Grumble* at the Raising needful Taxes to defray our publick charges, [12] is a piece of unreasonable and abominable *Baseness*; and it is a scandal to *New-England* that ever it should be found among us. What would these Complainers Have? would they have no *Publick Charges* at all defrayd? This would be immediately not only to dissolve all *Government* but all *Society*. Or would they have such Publick Charges born by *voluntary*

*Contribution* of the Inhabitants: This would not do the *Tenth part* of what must be done to prevent our perishing; & besides, it would lay the burden upon those that are the most *Willing*, but not the most *able* to Provide for the common Safety. Moreover, it is to be remembered, that nothing is levied on this People but by their *own Consent* in a General Assembly. And they deserve not the name of *English-men*, that are not more *ready*, and count it not more *easy*, to part with a *pound* in this way, than a penny in the former Arbitrary Mode. Or is it from *Covetousness*? a sin which too much prevails in *New-England*: The Scripture calls it *Idolatry*; and *we* may also call it the worst ill *Husbandry*, it withholds that from our necessary *defence*, that will add to an *Enemies triumph* in our shameful misery; as *Constantinople*, who refusing to pay the charge of a *Watch* on their Walls, were themselves and their wealth made a prey to the Turks. If any plead we [13] have no *Government*, and so have no power to *raise money*; pray, let them call to mind, that all the *Subsidies* now raised in *England* are by an Assembly chosen by Corporations no otherwise restored than ours. And is it indeed any thing less than a *Treason* against the Crown of *England*, for any to intimate, that we have no Government for, and so, no *Protection* from, that Crown? Or, looks it not very sincerely, for those persons, whose Consciences never troubled them, when *Taxes* were *Treasonably* Levied, without any Assembly of the People, now to pretend *Conscience* for not paying of those which the *Body* of the People in an Assembly have judg'd necessary to support their Majesties Interest in these Territories.

3. All the *Taxes* hitherto raised have bin most advantageously Employed. Our Present *Rulers*, have no personal

benefit by them; They spend their time and care, and are at cost too, for the Common Weal, and would count themselves well paid for all, in the *Contentment*, of the people. The great complaint is, That our venturesome Expedition to *Canada* hath run us into Debt. It should be Considered that the *voice of the people* every where called for it. Our Neighbours in the *West* made us believe they would lay all the mischief that should be done by the *French* at our doors, if we did [14] not attempt it: such *Importunities* with assurances of aid by Land did first engage us and oblige us. Had the *West* not failed us wee had certainly bin Masters of *Canada* and then our Expedition had been as much *Extoll'd* as now it is *Despis'd*! It was not thing too big for us, for notwithstanding the failure in the *West*, and the delays of some among our selves, till the *Season* was too far spent for any *Great Thing* to be done; add also the scantness of our *Ammunition*, with the smalness of our *Army* yet the missing of *Quebeck* is hardly accountable to rational Satisfaction. Besides, the *French* had Assaulted us by *Land* before ever we visited them by *Sea*; and that short visit we made them, we are assured has preferr'd our Country from further Assaults of theirs upon us. Now is it rational to think that we can ever have a *settled* peace while *Canada* is in *French* hands; if there should be a Peace between the two crowns, we may fear they *may*, as they have boasted they will by setting their *Dogs* (the *Indians*) upon us to make America too hot for us. Hence also the reducing of it unto the *English Empire*, was a Design wherein was manifest as the desire of our own future Welfare, so of doing the greatest Service to the Crown of *England*. The Design seemed to be as well laid, as any that was [15] undertaken in these parts of

the World; and it had been *dangerous* to have delayed it unto another year; for had they not gone with the Fleet to *Canada*, a thousand *Boss-Lopers* had been upon our Country Towns and laid them waste: *Prayers* and *Hopes* for the *Good Issue* of that Expedition, met not with a total Disappointment; nor do we *yet* see the *whole Issue*; the business is not over yet. If Heaven hath frowned on us, it calls us to *Bewayl* our sin, and not *Increase* it by denying the payment of Debts this way contracted, or spending our fury on any that were active in this Affair. *That* were to carry it not like *Englishmen*, much less like *Christians*, but more like *Turks* who *destroy* their best Counsellors for the wisest Counsels, where they do not *Succeed*. Let men beware they do not provoke God to make these *Canady* Enemies as *fiery Serpents* to sting Murmurers at and Despisers of Divine Providence.

4. Upon the *Difficulties* and *Necessities* which the Country hath been brought into, a better way could not well be thought upon, than the *BILLS* of *CREDIT* now passing (or that should be so) among us. *Silver* we have not enough in the Country to do which *must be done*, more being usually *Exported* than is *Imported*. And why may we not do as well without *it*, as other Plantations of *America*? What is the use [16] of *Coyned Silver*? but to furniss a man with *Credit*, that he may obtain from his Neighbours those Commodities, which he hath occasion for? The Country in the *General Court*, have *Recognized* or *Acknowledged*, a Debt of so many thousand pounds unto them that have been the Servants of the Publick. The *Credit* conveyed by these Bills now *Circulates* from one hand to another as mens dealings are, until the *Publick Taxes* call for it. It is then brought in

to the Treasurers hands, from which it goes not out again. Now the *Conveniences* which the Servants of the Publick, have had by them, have honestly paid the Countries Debts; and what could *coyned Silver* have done more? Hence it follows, that for any to *Squeeze*, the first Receivers of these Bills, by forcing them to abate of their just value; and then for themselves to bring these Bills to the Publick Treasury, where they are better than ready *Silver*, is a crying *Opression*. When any persons pay their Rates to the Constables in these Bills, they do in a manner say *They took no indirect Advantage to get them cheaper than they are of Credit for*. If the Government can find out any that have done otherwise, they ought to advance the Rates of such people to procure a Reparation to them that have been wronged; It will speak ill for New-England, that [17] poor *Soldiers* and *Seamen* should be *cheated* by any of the Inhabitants, and no *Restraint* put upon them, no *Redress* required where it may be done.

5. It is strange to think that *New-Englanders*, who dwell in such a *keen air*, should not have sharpness enough to perceive the *prudence, justice* and universal *benefit*, of paying and saving publick Charges, by these *Bills of Credit*. When *Canada* shall be better known to us, we shall find, It is a common thing for the Government at *Quebeck* to pay their men in such ways, & the Inhabitants there are not so dishonest as to cheat the needy persons to whom the *Bills* were first given, of half the worth of them; yea, there are no men *of business* through the world, who do not *use* as well as *know* the way of dealing by *Bills of Credit*: How many Credible Merchants are there, whose *Bills* do Pass as *ready money*, with hundreds of People with whom they

have had no immediate Concernment? And shall not the Government of this Colony, have much Credit with a people that *choose* all, and *make* part of it? Besides, no man that deals but for *ten Pounds*, will refuse to grant, that *Discount in Accounts Currant is good Payment*. All these Bills enable people to Discount with the Treasurer at last; therefore it is but fair and just they should have a *General Circulation*

[18] 6. The more sensible part of mankind have thought *Banks of Credit* on many Accounts preferable to *Silver in their Pockets*; it is so in *Venice, Paris, Leghorn & Amsterdam*, and other such trading places. We shall find men who have had store of mony, have carried it into *Banks*, from whence they have taken only Bills of Credit, with which they have managed all their businesses, *Bills* being less *Troublesome & Cumbersome*, then *Silver* would be; and more *Safe*. What hapned at *Venice* is very memorable: That State had occasion for Two Millions of Ducats, accordingly monys were brought into the Bank, and Bills given out for the same value; such was the usefulness of these Bills that they would not afterwards be parted with for mony; and the Government was forced unto Contrivances, to limit the *value of them*. If we as well understood our interest, these Bills would in a little time be so valuable, that men would Cheerfully give *Silver*, to purchase them at their full Credit. 'Tis true ours are founded on the *acknowledgement* which the Country hath made of their being so much in Debt, and their *Resolution* of raising what is owing. Now suppose, that *Fund*, be never so Tottering, it is a sufficient bottom for those few Bills which there hath yet bin order for: besides, these have some advantages which *Stampd Silver* will never

have; They are [19] so well Contrived, that it is harder to Counterfeit any of them, then to Counterfeit any *Coyne* in the World. And though they are more *Portable* then *Coyne*, yet they will not be *Exported* out of the Land; nor will they be hoarded up, but Inspire our whole trade with such a vigor as hitherto hath not been seen. All men must own, that till we can light on something Equivalent to *Coyne*, that may *Run* amongst us in such a quantity as may agree with our Affayrs, and yet not *Bleed* away in vast summ's by every Vessel that goes to forreign parts, we shall always have a *Consumption* upon us, In short, if the way of dealing with these *Bills*, were more improved and refined, it were easie to propose a certain method by which this poor Country might in one half years time be Enriched above One Hundred Thousand Pound: yea, we might at any time Command *halfe* that Summe without the *Tenth Part* of that vexation that now every Country Rate occasions. And let it be considered, whether *they* who do decry our *Bills of Credit*, do sufficiently weigh the desperate circumstances of the Country. We are surrounded with Adversaries: if we cannot find store of *men* to Expose themselves for us at this time, no man in his wits, can think the Country can stand: these *Men* must have mony to reward and support them in their Services, or [20] they can do no more: but *Silver* we say we have not; Credit we may have, and it will do as well, if by this *Credit* we permit our Friends to Command the same useful things as if they had ready Silver in their hands. If the *French* should Prevail, some men would part with *Thousands* and have no *Bills of Credit* for it; to make ours passable, is the most probable visible means to prevent it. Hence to do any thing to render those *Bills*

*Contemptible* and *Unpassable*, is in Effect to leave the Country without all manner of Defence, against any that would prey upon us; which is a *Moral Madness* we should upon no Terms render our selves guilty of: Whereas if these *Bills of Credit* might pass with full *Credit* among us, we might with Gods Blessing, be able to Encounter greater Difficulties than we have yet met withal. It is not worth while to take notice of the foolish Flout of some, in the Name they put upon these Bills, calling them *Paper-mony*; when all know that a *Paper* signed and sealed may be worth many Pounds of Silver. And why may not *Paper-mony* be as good as *Tobacco-mony*, *Potato-mony* and *Sugar-mony*? yea, do not our Brethren at *Connecticut* find, *Corn-mony* will do their business for them All the Difference is, that some *English-People* in *America* know how to make a Bargain with what they *Have*, for what they *Have not*; which [21] it is time for *New-England* to Learn.

7. It is time for all people to examine, what is that which clogs the passing of our Bills. It is the debasing of them, so that *twenty shillings* in a *Bill* can scarce find *Credit* for fourteen or fifteen shillings of stamped *silver*: But wherein is the Original of this? Is it in the *Merchant* or the *Trader*? surely they who have lent the Country some Thousands of *Pounds*, much of it in ready silver, and *all* of it without Interest, or other Gains (that an unthankful Neighbour hood have reported of them and reproached them with) and have taken their whole Repayment in *Bills of Credit*, they should be willing to keep up the *Credit* of these Bills. Is it in the *Husbandman*? one would think they who find it so hard to *buy Silver*, should be willing with their Provisions to *buy Credit*, that may be as *good* (and in some cases better) to



them than ready Cash. It remains then that all should joyn to mend this great error. And why may not *Boston* begin? whereever were the first fault, it seems, possible now for *Boston* to Correct the whole. It is supposed the Government will be resolute in Raising what hath been granted by the Country this year, for the *Publick Rates*. Many Proposals have been made unto the Government, for establishing the *Credit* of our Bills. In my opinion, they need only [22] to do this; Let the *Publick Rates* be vigorously Raised. These Rates will in one years time fetch back all the *Bills* into the Treasury, where they will be cancelled. The people will find it their Advantage then (common *sense* will teach them) to furnish themselves with these *Bills*; tho' they give *ready Silver* for them, they will find they thereby save a Shilling in a Pound. If but a competent number of men, who *Deal much*, would now give your selves the Trouble of Meeting, to Debate, Agree, Conclude, and Engage upon giving a *just Reputation* to our *Bills*, The whole Country must and will joyn with them in it. And if they will further give themselves the Trouble of *Publishing* to the Country, what may Rectifie some common mistakes, and how willing they themselves are to *pay* and also to *take Bills* at a due price, doubtless it would much promove the Cure of this Distemper among us.

*Sir, You will candidly accept of these Thoughts, from one who counts and loves New-England as his Country, tho' he was not Born and Bred in it. The Violations of Conscience as well as Policy among us in the Things I have Discoursed of, have made me count it my Duty thus to answer your Desire, of seeing some thoughts upon the Subject [23] we have*

*now had before us. You see how much a Desire of yours is a Command, on,*

Sir,  
Your Servant, &c.

FINIS

*Boston, Printed by Benjamin Harris, and John Allen: And are to be Sold at the London-Coffee-House. 1691.*

NOTE TO "SOME ADDITIONAL CONSIDERATIONS ADDRESSED UNTO THE WORSHIPFUL ELISHA HUTCHINSON, Esq.," ETC.

This so-called letter occupies pages 11 to 23 inclusive in the continuously paged pamphlet which contains "Some considerations," etc., and "Some additional considerations," etc. It will be seen from the imprint at the end that it is a Boston production, and that the date of its appearance is 1691, which might perhaps have been inferred from its contents. The fact that it was published in connection with "Some considerations," etc., with continuous pagination, and the further fact that the two bear but one colophon, relieve us of the necessity for special acknowledgment to the libraries to which we are indebted for the copy and the facsimile, since that has already been made in the note to "Some considerations," etc.

The author of "Some additional considerations," etc., describes himself in the concluding paragraphs of the pamphlet as "*one who counts and loves New-England as his Country, tho' he was not Born and Bred in it.*" This obviously applies to Capt. John Blackwell. Moreover, Blackwell had shown that he was in favor of a paper currency by his advocacy of a bank in 1686. At a later date, when the loans of the province were termed "the Public Bank," and when the advocates of private banks were opposed to the public bank, the fact that Blackwell had been an advocate of a private bank would not have served in itself as a foundation for a conjecture that he was

the author of a pamphlet in advocacy of the bills of public credit. At this time, however, the lines were not drawn between the private and the public bank. Blackwell had, shortly after the abandonment of the scheme for a bank of credit in 1686, gone to Philadelphia to look after Penn's interests in his proprietary colony, but in 1690 had returned to Boston. His presence here at that time, his belief in a possible currency based upon credit, whether of the colony or of private individuals, and the fact that he was not born in this colony but had only recently crossed the ocean, make possible, perhaps probable, the conjecture put forth by Mr. Trumbull that he was the author of "Some additional considerations," etc.<sup>1</sup> In further proof of this, note the similarity of the language used in the description of the Bank of Venice with the longer account given in the "Model" page 174, ante.

Elisha Hutchinson was, like John Phillips, a member of the council at the time when this pamphlet was published. The record of his career indicates that his selection for the office was due to his prominence as a citizen of Boston. He was admitted as a freeman in 1666; was selectman 1678-80 inclusive; deputy, 1680-82; selectman in 1683; both assistant and selectman in 1684, '85, and '86; in 1687 a selectman; councillor in 1689; appointed to the council in the charter, and thereafter yearly elected till his death in 1717; an ensign<sup>2</sup> in 1674; a lieutenant<sup>3</sup> in 1675; a captain<sup>4</sup> in 1680; and thereafter promoted through the grades of major and lieutenant-colonel to the office of colonel. His name appears in the writ of *quo warranto* served upon Governor Bradstreet by Edward Randolph as Gen. Elisha Hutchinson,<sup>5</sup> although the rank that he then held was captain.<sup>6</sup> He held for a time the position of captain of the castle.<sup>7</sup> As townsman he was called upon to serve on various com-

<sup>1</sup> Proceedings American Antiquarian Society, New Series, Vol. III, p. 281.

<sup>2</sup> Massachusetts Colony Records, Vol. V, p. 25.

<sup>3</sup> *Ibid.*, p. 33.

<sup>4</sup> *Ibid.*, p. 279.

<sup>5</sup> *Ibid.*, p. 421.

<sup>6</sup> *Ibid.*, p. 427.

<sup>7</sup> Acts and Resolves of the Province of Massachusetts Bay, Vol. VII, pp. 323, 653, 710.

mittees of importance, and as councillor and militia officer he was appointed several times a commissioner and sent upon missions of a military or mixed military and diplomatic character. He was for a long time a justice of the court of common pleas, and for a portion of that time held the office of chief justice.<sup>1</sup> He was appointed a commissioner under the impost, excise, and tonnage of shipping act of 1692, and was chosen one of the commissioners of the excise<sup>2</sup> under the act of 1698.

It is to his foresight that the manuscript copy of the "Body of Liberties of 1641," now in the Boston Athenæum, was preserved. This collection was reprinted by William H. Whitmore in "Colonial Laws of Massachusetts;" and Mr. Whitmore, in speaking of its fortunate preservation, adds: "It is evident from this collection that Hutchinson gave a careful attention to the question of the laws."

<sup>1</sup> Acts and Resolves of the Province of Massachusetts Bay, Vol. VII, p. 509; Vol. VIII, p. 269 and p. 295.

<sup>2</sup> Acts and Resolves of the Province of Massachusetts Bay, Vol. VII, p. 595 and p. 600. His career in the Ancient and Honourable Artillery Company is set forth in the History of the company, Vol. I, p. 214.

A  
**MODEL**

For Erecting a

**Bank of Credit;**

*WITH A*

**DISCOURSE**

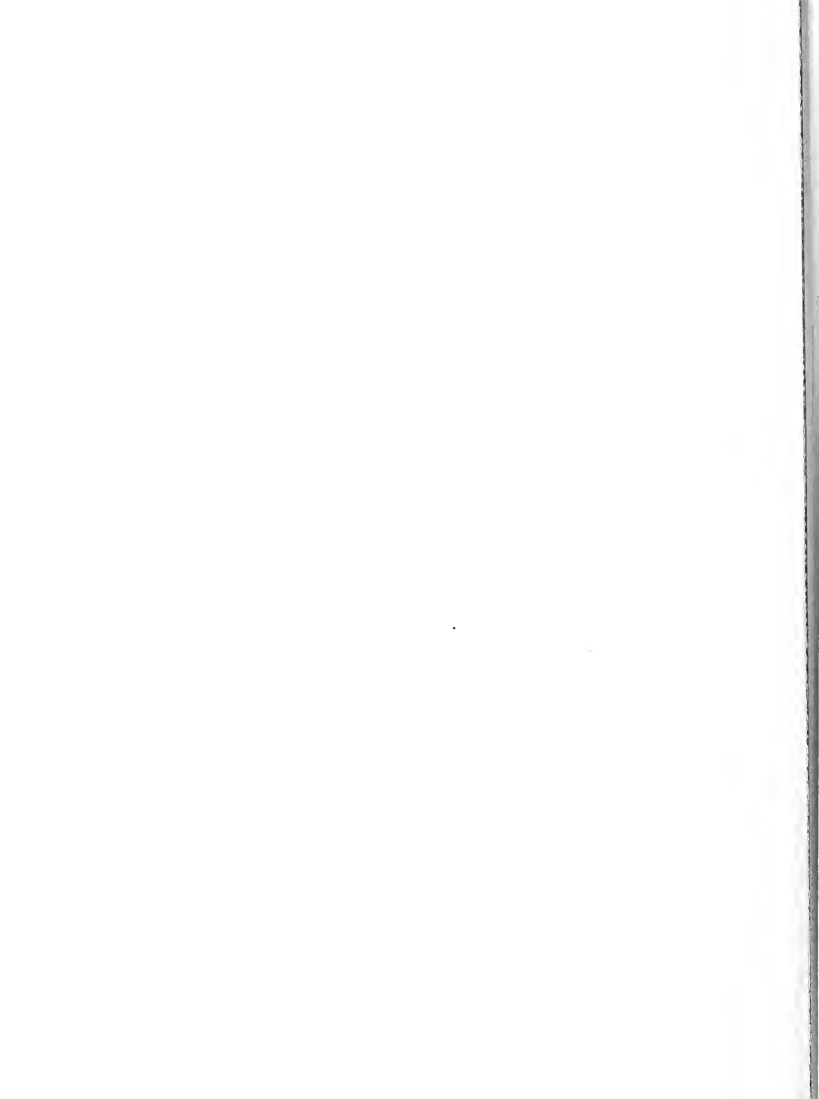
In Explanation thereof.

Adapted to the Use of any Trading  
Country, where there is a Scarcity  
of MONEYS:

More Especially for His Majesties Plantations  
in AMERICA.

*Quo Communius et Melius.*

L O N D O N. Printed in the Year, 1688.  
Reprinted at B O S T O N in New-England, in  
the Year, 1714.



A  
M O D E L

For Erecting a

Bank of Credit;

WITH A  
D I S C O U R S E

In Explanation thereof.

Adapted to the Use of any Trading  
Country, where there is a Scarcity  
of M O N E Y S :

More Especially for His Majesties Plantations  
in *A M E R I C A*.

*Quo Communius eo Melius.*

---

*L O N D O N*: Printed in the Year, 1688.

Reprinted at *B O S T O N* in *New-England*, in  
the Year, 1714.

## THE PREFACE TO THE READER.

THE *Difficulties, which the Trade of this Province labours under, by reason of the Scarcity of Money, having rendred it necessary that some Expedient be found out to supply that Deficiency: A Scheme of a Bank of Credit founded upon a Land Security, has been accordingly projected; and will be humbly offered to the Consideration of the General Assembly, at their next Session.*

*Now, in as much as things of this Nature (tho' recommended in Europe, by long Experience of their general Usefulness and Benefit, to the Places where they are Established) yet may be here in hazard of not meeting with that Regard and Encouragement they deserve, for want of a due Information concerning them: And there having been many Years since Printed in London, a Projection of much the same Nature with that prepared here; (tho' not so Beneficial to the Publick, or on so Solid a Foundation), yet setting forth in a Plain and Familiar way, not only the Nature, but the Feasibleness and Utility of such a Fund of Credit; it was judg'd Convenient to Re-print the same here, that so all Persons might have an Opportunity of gaining an Insight into it: It being rationally Concluded, That such a Bank being made to appear to be of Necessity to us in our present Circumstances, and of great and general Benefit; there is no Publick-spirited Person but will set to his helping Hand, to Promote the Establishment of the same.*

Boston,

Feb. 26. 1713.



[1] A MODEL for Erecting a Bank of Credit Lumbard and Exchange of Moneys, Founded on Lands, Goods, and Merchandizes: To be undertaken and managed by Persons of good Reputation, Prudence and Estates, in a voluntary *Partnership*, as other Merchantly Affairs: Adapted for the Use of any Countrey, or Trading part, where there is a Scarcity of Moneys; and, in want thereof, they are constrained to Truck, or Barter by Commodities, &c. wherein is Discoursed,

1. *Some things by way of Premise, touching Banks in General.*
2. *The Definition of such a Bank.*
3. *The Constitution.*
4. *The necessary Rules to be observed.*
5. *The particular Advantages thereof, to those that shall voluntarily deal with such a Partnership.*
6. *Some of the most material and pertinent Queries and Objections thereto, Resolved and Answered.*
7. *The Conclusion by way of Animadversion, upon the whole: Briefly.*

*Of the First, viz. Some things premised for Introduction, touching Banks in general.*

**M**oney, whether Gold or Silver, is but a measure of the value of other things; yet hath, for a long Succession of Ages (especially in the Civilized and Trading part of [2] the World) obtained to be the usual, and best known means of Interchange.

This measure and way of Interchange, was originally occasioned by the experimented inconveniences of common

Barter ; in which way, unless both the Parties dealing, have like occasion, reciprocally, of each others Commodities, the less necessitous Overreaches the greater, by imposing the price of both, to his own advantage, and the others detriment, which is not equal ; nor can there be Equality where there is no common Standard between them.

But, whether the Mines fail, or Men have not been so fore-seeing and industrious to bring in, to most Countreys, a sufficiency of Money or Bullion, wherewith to manage their increasing Trades, or, that Traders for want of other Returns, have been necessitated, for Balance of the Surcharge of Goods imported, to remit the Coyns of some Countreys into others : Or, for other Causes (not necessary on this occasion to be further inquired into) tis now so hard to come by, in some places, for carrying on of Trade, to answer the vastness of Mens attempts, and aims of increase in Merchandize, as that its found, in many Countreys, insufficient in this Age of the World : And that hath put divers Persons and Countreys, upon contrivances how to supply that Deficiency, by other Mediums ; some of which have happily pitch'd upon that of Banks, Lumbards, and Exchange of Money by Bills, which have thriven with them.

[3] The two former of these, *viz.* Banks and Lumbards, have been set on foot in divers Trading Countreys, by their respective Publick Undertakings, and have succeeded to their abundant Inriching. Perhaps others have thought, that would have occasion'd the overflowing of Moneys amongst them : Especially if they raised the Values of Gold & Silver above the common Standard ; but as they have been mistaken, or their Surfeit of Trade hath obscured the visibility of it ; and protracted more rational Considerations

of Redressing, till it hath proved almost Fatal, to the impoverishing of their Countreys: So the other have really experimented, that their Banks have been, as well with other Countries, as amongst themselves, of greater Value than the Species of Gold and Silver: And yet, such Places drain away the said Species from the other, who under those mistaken apprehensions have Courted it, as the only real good thing for a Countrey.

The Third, *viz.* that of Exchange of Moneys, hath been for the most part managed by the respective Merchants of all places; who in their particular Dealings and Correspondences (fore-laying Advantages to themselves thereby) have unaccountably controll'd it, and vary it often, in each Annual Revolution.

'Tis not to be doubted, but that all Three of these may be accommodated & improved, to the Publick Advantage of any Countrey: Especially, if managed in Partnership by Private Hands, being persons of known Integrity, Prudence and [4] Estates: subjecting the annual Profits accruing thereby to the answering the Injury, damage, or loss by their undertaking.

The best Foundation for such an Attempt, is, that of Real and Personal Estates, instead of the *Species* of Gold and Silver. For, as a Bank of Moneys is liable to many casualties and hazards; so, the hoarding up of Moneys in Banks, necessitates the taking out the more Bills; which is one Malady this Proposed Bank will cure.

We shall therefore, at present, begin with, and principally discourse of the two first of these: *viz.* The Bank of Credit, as it may be rendred susceptible of the Second, *viz.* The Lumbard, conjunct: accounting both the one and the other

to be founded as aforesaid, *viz.* On lands or Real Estates mortgaged, and staple durable Goods, and Merchandises deposited: such as any Countreys Products and Manufactures will by Art and Industry produce and furnish.

Here might be also discours'd A Lumbard for the Poor, by some called *Mons Pietatis*: But that's fitter to be the Handmaid of the other; for, 'twill be too poor to encourage an undertaking by it self, or for a beginning: Neither will there be any such necessity thereof, when this Bank is settled; forasmuch as this will imploy most of those, who are usually maintained in Idleness, if they will betake themselves to Industry, at such moderate wages as would enable them to live comfortably, without exposing their Employers to like Poverty with themselves. [5] And besides, this Bank of Credit and Lumbard, when understood, and received in any Countrey with general Approbation, will in due time render that, as also the Third, *viz.* that of the Exchange of Moneys by Bills, the more intelligible, and as useful.

*Of the second Particular viz. The definition of such a Bank.*

A Considerable number of Persons, some of each Rank, Trade, Calling and Condition, especially in the principal Place or Places of Trading in any Countrey, Agree voluntarily to Receive as ready Moneys, of and from each other, and any Persons in their ordinary dealings, Bank-bills of Credit, Signed by several Persons of good Repute, joyned together in a Partnership, given forth on Lands of good Title mortgaged, and staple unperishing Goods and Merchandizes, deposited in fitting places to be appointed by the Partnership for that purpose; to the value of about one half, or two thirds of such respective Mortgages and Deposits:

Which said Bills, thro' their experimented usefulness, become diffused by mutual consent; and passing from one hand to another, in a kind of Circulation, and under reputation of so certain a Fund, have at least equal Advantages with the Current Money or Coyn of any Countrey, attending them, to all who become satisfied to deal with them.

*Q.* But it may be said by some, This is a [6] very brief Account, and requires further Explanation. We are yet Strangers to the Nature, and requisite Constitution of a Bank of Credit, and what lies on us to do, in order to our being made partakers of any benefits or advantages thereby, to such as shall voluntarily comply therewith; nor do we see clearly our Security in so doing, nor upon what terms. Pray inform us of these things, so far as we may be safely guided into the way, and unto the end of it. Also, in case this Bank should terminate, how we shall be dealt withal, in the closing up of Accompts, so as may be without damage, either to the Bank, or to our Selves. We doubt not but you have as well Considered the End as the Beginning. Tho' if it prove useful, we can see no cause why a thing of so great Advantages as are suggested, should procure any persons Ill-will, or Weariness of it. And we are also satisfied, that an Affair of this nature, wherein the Persons and Estates of so many shall be involved (as it seems probable will be where it once gets footing) cannot suddenly be knock'd off, but with inconvenience.

*Answ.* The clearing these Doubts you'll find in the particulars following. Therefore now,

*Of the third Particular, viz. The Constitution of this Bank.*

IT is proposed that there be One and Twenty persons (or less) in the Partnership of this Bank: whereof Seven to be called *Principal Ma-[7]nagers*: Who, or any Three or more of them may have the power of managing and governing the whole affair, according to the Constitution & Rules thereof; and Fourteen Deputies to be imployed by them as Accomptants, Surveyors, Appraisers, Store-keepers, &c. All of them to be persons of good & general Reputation, for Integrity, Prudence and Estates: But, forasmuch as, at the first entrance upon such an affair, it may not be needful to ingage so many; that any Seven of them (more or less) may be conceived sufficient to begin the same; and manage it, until, by the coming on of Business, it shall be judged necessary & encouraging, to settle the Full, or some greater Number of them. These may all be ingaged by Articles of Agreement, & Covenants in Partnership, to attend thereon, and be responsible for their doings, according to such Constitution and Rules in that behalf.

These are to receive all Proposals from any persons touching their having such Credit thereout as they shall desire upon their said Estates of Lands or Goods respectively; and to contract & agree with them therein, at such Values, & for such Time as they shall judge the Security proposed of either kind will admit, and to draw up, and perfect such Bank-bills, Bills of Sale, Mortgages, Grants & Defezances thereof, as Lands or Goods respectively shall require; and perfect the Counterparts thereof, to the Mortgagers and Depositors.

They are also to cause the said Mortgages & [8] Deposits to be laid up and stored, respectively, in as safe and convenient Rooms, and, Warehouses, &c. as shall be without exception, to prevent damage of Weather, Robbery, Fire, Water, or Vermin of any kind, whereby they may be impaired, or dampnified, and all this, under the trust and custody of such numbers of the said Partners, as no opportunity can be taken to impair or lessen the Security, unless they should all agree therein; which cannot reasonably be imagined being such as are proposed. But, for the better Security thereof, there may be continual Watching on all such places; and it will be the Interest of all persons, any way concerned in the affairs & profits of such a Bank, to be careful to prevent, and to give Advertisement of any attempt made to the impairing & prejudicing thereof, for that their livelihood and dependences will much consist in their preserving it in the greatest Repute; which upon the least violation, by those who are engaged in the management and trust thereof, will be utterly lost, and the Bank fall to the Ground.

The Partners aforesaid, must also enter into and oblige themselves by Covenants to, and with other Persons to be called Assessors of the Bank, and Conservators of the Constitution, Rules and Instructions to be observed in the management thereof, for their diligence and faithfulness, in the Discharge and Execution of their respective trusts, according to the said Constitution: and inviolably to observe the same, and all the Rules thereof.

[9] The said Assessors have also the Oversight and Contr-oll of the whole Affair: To see the same be so managed: and to that end are daily to inspect the Management thereof; and that the said Rules be duly observed on both parts,

*viz.* as well on the part of the persons dealing with them, as of the Managers themselves, in every branch of the Bank, that all be done with Justice and Impartiality between them; to settle differences, in case any happen: and in the absence of the Managers, may supply that defect, by their Personal transacting the same things, or allowing others as their Deputies. Also,

Each of the said Partners must deposit moneys and other Estate in the Bank as a Stock or Fund, of their own; which be a further Security and Obligation upon them, for their upright dealings; For thereby every of themselves become Personally Interested, and concerned to be careful in every thing, that they keep the Rules; and all Persons concerned in the yearly Profits thereof are liable, according to the Constitution, to answer the damages, as far as their respective shares thereof extend.

*Of the fourth Particular, viz. The necessary Rules to be observed in this Bank.*

I. **I***N primis*, That the Partners in the Management of the affairs of the said Bank do sit in some convenient Place of the chief Trading Town of each Countrey, from day to day, and [10] at such hours as the business & occasions thereof shall require; to receive Proposals from any persons, touching their having such Credit as they shall desire; and for drawing up and perfecting such Bank-bills, Mortgages, Bills of Sale and Defezances thereof, as Lands or Goods respectively shall require: Also for giving Information and Satisfaction concerning the Security, Benefits and Advantages accruing thereby, to such as shall desire to deal with them therein; and to take Subscriptions for that purpose.



2. *Item*, That whatsoever person shall propose to Mortgage or Deposit any staple Goods or Merchandizes, Lands, Tenements or Hereditaments of a clear and good Title, to the said Partnership, may have such & so many Bills delivered to him as shall amount to about the Value or Sum of one half, or two thirds of the said Estates; or more or less, according as his Occasions shall require, and the nature of the Depositors security will admit. Paying for the use of the said Bills, after the rate of Four Pounds *per Cent. per Annum*, in like Bills, at the end of every Six Months, for so long time as he and they shall agree for the same.

3. *Item*, That if at the Expiration of the Term agreed for, the Mortgager or Depositor shall desire the continuance thereof, for such further time as the Partnership shall judge the nature thereof will admit, the same shall be allowed upon the same Terms; and if any person shall desire to redeem them sooner than the time agreed on, he shall have liberty so to do, paying only for such [11] time as they continue deposited or unredeemed. And shall be allowed to pay in any even Sums (not being under *Ten Pounds*) in part thereof, if he shall think fit so to do, to lessen his Debt and Charges.

4. *Item*, That the Redemption thereof be by Bank Bills of Credit, or such other Deposits as the Partnership shall approve of. But if by Moneys in Specie, that there be an Addition of *Forty Shillings* more in every *Hundred Pounds* paid in Money, than in the said Bills: For they desire not the ingrossing of Coyn, or streightning mens Occasions thereby.

5. *Item*, That if it shall happen that any Payments shall be paid in ready Money, such persons as having any of the

said Bills in their hands, which they would have Exchanged to answer their occasions for Money, and shall seasonably desire the same, shall be accommodated therewith, upon the delivery up of Bills to such Value.

6. *Item*, That there be One or more persons allowed by the Partnership, in the nature of Merchant-brokers, to Correspond between the persons who have, & who want Moneys, & Bills respectively, to assist their respective Occasions.

7. *Item*, That if any person shall not Redeem his Pledge, or Pay his Interest at the respective times agreed on (being of Goods or Personal Estate, the continuance whereof may be hazardous) the Partnership, giving Notice thereof, may Sell the same at the best Rates they can get, either in ready Money, or Bank-bills, rendring the overplus to the Depositor.

[12] 8. *Item*, That if any Person be Rob'd of, or lose any Bill or Bills, by accidents of Fire, Water or otherwise; he may have them renewed, if he forthwith apply to the Partnership, and make a voluntary Oath thereof, before a Magistrate, expressing the Number, Value, and Date of each Bill or Bills; and securing the Partnership against all after demands for the same bills: It appearing by the Bank-books that such Bill or Bills were issued thereout, and have not been returned.

9. *Item*, That all Bank Bills of Credit be Signed by two or more of the said Partners, (whereof one to be a principal Manager) who are thereby held, to oblige themselves, and all and every their Partners of the said Bank, to accept the same for so much Currant Moneys as shall be in them respectively mentioned, in Payment, for Redemption or Purchase of any Estate in the said Bank, according to

the Rules thereof: and that all such Bills be duly entred, in Books to be kept for that purpose, and the Indented Counter-part thereof filed, before the same be issued.

10. *Item*, That all Goods deposited, be laid up and stored in such safe and convenient Rooms, Ware-houses or Cellars, Yards or Docks respectively; for preventing damage of Weather, Robbery, Imbezlement, Fire, Water, or Vermin of any kind, whereby they may be impaired, and be under such custody & continual care, as will probably render them more safe than in any Persons particular Custody, or Ware-house.

11. *Item*, That the Charge of Ware-house room [13] be reasonable, with respect to the bulkiness or value of the Deposit; and be agreed upon between the Parties to, and inserted in, each Contract. In which respect it will be easier to many, than to hire Ware-houses of their own.

12. *Item*, That all Persons having any Deposits in Bank-ware-houses, &c., may have liberty, at seasonable hours, and in the presence of known Persons, to be intrusted for that purpose, to view their Goods, that they be not imbezled, or dampnified, and to provide against the same: Also to shew them to their Chapmen; and shall be assisted therein by the Romagers or Porters imployed by the Partnership.

13. *Item*, That in case the Creditors of this Bank shall agree to desire, and accordingly Declare in Writing, *That there be a Determination put thereto*: Or if on any other account whatsoever, the Determination thereof shall be judged necessary, by the Proposers and Managers of this Bank, and so declared in Writing (which cannot be without allowance and ascertaining of a reasonable Time betwixt the said Creditors and Partnership for closing up the same, and

the Accompts thereof, so as may be without damage to any or either of them :) That, as no Person is or shall be compelled to accept Bank-bills of Credit, unless he shall voluntarily agree so to do, and for no longer time, nor otherwise than he shall so consent : So, no man paying his *præmium* and charges aforesaid, for the Credit he hath, shall be compell'd to Redeem his Pledge, being of Personal Estate, [14] sooner than the time contracted for, and the nature of the Deposit shall require : And to the end the Mortgagor of Lands, of unquestionable good Title, may not be distressed, to his undoing, in case he should, by reason of such Declaration, be suddenly call'd upon to Redeem the same, (which may be impossible for him to do in some Years, thro' the scarcity of Moneys), That all and every Mortgager of Lands, in such case, shall or may have & take Six Years Time, from & after such Declaration aforesaid, to be allowed unto him, his Heirs and Assigns, for Redemption of his Lands; he or they paying after the rate of Six Pounds *per Cent. per Annum*, in ready Moneys, at the end of every Six Months, for the continuance of the Credit he had thereupon, from such Time as the said Declaration shall be perfected, until he shall Redeem the same : And that the Partners of this Bank shall or may have and take one full Years time more, from the Expiration of the said Six Years, to be allowed unto them, for Selling the said Lands, or such of them as shall not, within the said Six Years, be Redeemed ; whereby they may be inabled to Receive in, and Exchange all Bank-bills then granted forth, into the now current Coyn or Moneys of this Countrey, or other Moneys, being not of the more intrinsique Value than what now passes : Or otherwise satisfie for the same by such proportions of the said remain-

ing Lands or other Effects, as shall be judged to be of equal Value: Paying to all the Creditors who shall then have any [15] Bills in their hands, after the same rate of Interest for so long time, after Publishing the said Declaration, as the said Bills shall remain in the said Creditors hands Unoccupied; with Deduction & Allowance only of the *Præmium* contracted for, as aforesaid; and that such Bank-bills, as before such Declaration made, have been given forth, upon the Real or Personal Securities aforementioned which remain in the Possession of the said Bank, may & shall be esteemed, & pass as current Moneys, of the Value of the present Coyn, in all Receipts & Payments whatsoever, during the said Term.

14. *Item*, That the foregoing Rules be attended and observed by all & singular Persons concerned therein, and who shall propose to deal with, and accept the Bills of Credit issued by the Managers of the said Bank of Credit, Lumbar & Exchange of Moneys proposed to be erected in any Place, and managed by persons in Partnership, as other Merchantly affairs.

*Of the fifth Particular, viz. The Particular Advantages of such Persons as shall voluntarily deal with the said Partners, in these affairs; which will appear in several Instances.*

*First Instance.*

A Country Chapman hath Lands, suppose worth to be sold for 400*l.* and being willing to enlarge his Trade & Dealings, or make Improvement on his *Lands*, as far as his estate will inable him. Or having brought Goods, which he is indebted, & [16] cannot otherwise pay for, he Mort-

gages his Land to the Partnership for 200 *l.* more or less; and thereupon receives several Bank-bills of Credit, for 200 *l.* &c. of several Values from *Twenty shillings*, and so upwards, to answer his Occasions.

With these he buyes such Goods as he pleases, or pays his Debts for what he formerly bought of the Whole-sale Shop-keeper, or Ware-house-keeper, in such Town or Towns of Trade as shall fall into this way of Dealing; and, having Bank-bills to deliver for them, which are of better Value by 40 *s.* in the 100 *l.* than Moneys, with this Society, as is herein evinced; he buyes much Cheaper than he could upon his own Credit, or with Moneys in Specie.

The Shop-keeper goes to the Merchant, who thus agrees, and buyes of him other Goods, with the same or other like Bills; wherein he reaps the same advantage as he gave his Chapman.

The Merchant buyes Corn, Beef, Pork, Fish, Hops, Lumber, Pitch, Tarr, Rozin, Skins, Furs, or any other of the Countreys Products or Manufactures, of the Husbandman, Grazier, Artificer, or Maker thereof.

The Husbandman, &c. If a Farmer of Lands, pays his Rent, and purchases more young Cattel of his Neighbour, for Breed or Fatting. Or,

If an Owner of Land, and hath not sufficient Stock to improve it, he also Mortgages his Land, and has Credit to furnish himself. Or,

If he hath sufficient Stock, and perhaps more than his present farm can maintain, he hath his eye upon a Neighbouring Farm, or piece of Land [17] that would be Sold; he Mortgages his own Land in the Bank, and hath Credit to buy the other.

If then he wants Stock, he may also Mortgage the Farm or piece of Land last purchased; and have Credit to enable him fully to Improve and Stock both, Whereby he doubles his Yearly advantages, and if he can then content himself to live as frugally, & be as industrious as before, he may soon compass to pay off his Debt, & redeem his Land. Or, he may continue the Credit he had, and take out more upon the Additional improvement; and thus increase his Purchases and Estates, as long as such an help is afforded.

*Second Instance.*

The like may be done for carrying on the opening & working in any Mines, Minerals or Quarreys of Stone, Lead, Tin, Iron, Copper, &c. thus, *viz.* The Mine & Lands wherein the same is, may be Mortgaged as aforesaid, to supply the Owner thereof with Bills of Credit, for paying his Workmen, in any Sum of *Twenty Shillings*, or above.

As fast as any of these Metals, &c. are wrought fit for Sale, if a Chapman be wanting, the Metal may be brought into the Bank, and the Owner receive Bank-bills to the value of about two thirds thereof, as aforesaid, to enable him to proceed on his Works: And the Metal lying in Bank is there readier for a Market than elsewhere, in his own Private-house or Ware-house, at very reasonable rates for lying there, and may with allowance of the owner, be sold in his absence, by the Merchant-broker before mentioned, at such current rates [18] as he shall set, & he become Creditor for so much to be discompted or paid him, whensoever he shall call for it.

*Third Instance.*

A Weaver of Cloth, Serge, or Linen, &c. is employed in any Work-house erected, or to be erected, to carry on those respective Manufactures: Also other Manufacturers, and Artificers, in Rope-making, Cables, Rigging, Sails, Anchors, or any other Materials for the Fishing-trade, Merchants, or building of Ships, &c.

The owner of such Work-house, or Materials respectively, consents to Mortgage the same, for One or Two *Hundred Pounds*, more or less, in Bank-bills, as the Work shall require, and the Value of the House or the Materials will admit.

With these Bills, the Work-master or Overseer, buyes Wooll, Worsted, Yarn, Hemp, Flax, Dying-stuffs, Iron, Timber, Lumber, &c. of the Merchant, Ware-house-keeper, Countrey-man, or other Seller; and finishes 40, 60, or 100, pieces, &c. more or less of any of the said Commodities; which when wrought up for a Market; if he want a Chapman, he brings into the Bank Ware-houses, as aforesaid; or such Yards, Docks, or other Places, as they shall appoint or agree: Takes up new Credit upon them, and leaves them there to be Sold, at his own rates, as aforesaid. Or,

A considerable parcel of Wooll, Cotton, Yarn, Flax, Hemp, Oyl, Dying-stuffs, or other Goods for his use, are offer'd to Sale; he may pay one third thereof by his Wrought-up-goods Unsold, and bringing these Commodities into the Bank, [19] may receive Bills of Credit for paying the other two thirds; which he may take out, in parcels, as he brings in any new wrought up Goods, or hath occasion to use them for working up more; and the Bank-ware-houses will be to



him as *Black-well Hall*, &c. in *London* to the Clothiers, to assist his sale of them without his trouble: For thither will all Merchants have encouragement to come, to seek supplies for Transportation, & find Goods always ready. Other instances might be multiplied, but by these it appears,

1. That the Manufacturer, &c. loses no time in looking out a Chapman.

2. Is always furnish'd with Credit to buy his Materials at the best hand.

3. The Merchant never trusts, nor Ware-house keeper: Or, if he do, the plenty of Bills expedites his Chapmans Sale, and consequently his Payments. Whereby,

4. He has encouragement & stock presently to look out for more of the same, or other useful Merchandizes.

5. Sends forth the said Metals, Clothes, Stuffs, Linen, &c. amongst other Merchandizes of the Product of his Countrey, or Imported.

6. Makes return of Bullion, Moneys, or other useful Goods, which are presently bought off with Bank-bills. Or,

7. He may store them up in Bank Ware-houses, and receive present Credit, wherewith to send out again. And,

8. Thereby be inabled (at least) to double, or [20] treble his yearly dealings, and receive proportionable advantages. This,

1. Increases & quickens Merchandizing and Trade.

2. Promotes Shipping & Navigation. Which,

3. Increases the Publick Duties, and consequently the Revenues.

4. Imloys the Poor in the Minings & Manufactures forementioned.

5. They get Moneys by these Employments.

6. That inables them to buy up all necessaries for Cloathing, Victuals, paying of Debts, &c.

7. This helps the Consumption of, as well their own Commodities, as other imported Goods and Merchandizes: for no Man, that hath wherewith to buy, will go naked or be hungry, &c.

8. This helps to civilize the Ruder sort of People; and encourages others to follow their Example in Industry and Civility.

9. Thus all sorts of Persons become inabled to live handsomely, & out of Debt; and that prevents multiplicity of Law-suits, & Troubles to the Government: but none of these advantages may be expected, out of the small Pittance of Cash, that now is, ever was, or likely will be in any Countrey, unless assisted in Trade, & inriched by the help this Bank proposes. And so we pass to the Consideration

*Of the sixth Particular, viz. The answering some few of the most material Pertinent Queries, and Objections touching this Bank, viz.*

Q. 1. CAN I have Monyes for Bank-bills, when I have Occasion?

[21] *Answ.* 1. 'Tis not propounded to be a Bank of Moneys (which is liable to inexpressible & unforeseen hazards) but of Credit to be given forth by Bills; not on Moneys advanced, as in other Banks; but (on Lands or Goods, as aforesaid,) to supply such as cannot get Moneys (by reason of its scarcity) with whatsoever may be had for Moneys. Yet,

*Answ.* 2. As oft as any persons Redeem their Lands, or Goods, they must do it in Bank-bills, or with Moneys. If in

ready Moneys, the Partnership may exchange Bills therewith, to such as desire it; as is afore provided by the Rules.

*Ans.* 3. However, this Bank is no occasion of streightning men that would have Moneys; but leaves them free; and in this case, the Merchant-brokers of the Bank will be helpful, between those who have and who want Moneys, and Bills respectively; as is likewise aforementioned in the said Rules. But,

*Ans.* 4. If it be made to appear to you, that others who have Moneys, will be willing to change your Bank-bills into those Species of Gold & Silver, & thank you for offering them the occasion (tho' the Bank Partnership do it not) you'll have no cause to decline the other advantages proposed: Especially if you may both be gainers by the Exchange. Now, if I ow'd you 500 *l.* to be paid in Silver, which I could not do, but should propose to pay you in Gold, at the intrinsique Coyn'd Value, which if you part with again will yield you *Five Pound* profit, or more: Would you then refuse Gold?

[22] Obj. *But how will you apply this, to make it Credible?*

*Sol.* Thus, Whoever hath any Payment to make in Bank, which (in probability if such Bank take effect in any Countrey) will be every man that deals in above *Twenty Shillings* at a time) will find, that we must pay *Forty Shillings* more, in every *Hundred Pounds* of ready Money, than in Bank-bills of Credit; as *per* the forementioned Rules of the Bank) which is about *Five-pence* benefit to the Exchanger, in every 20. *s.* No doubt then of having Moneys (by a little inquiry of the Merchant-broker) at the Value contained in the Bills, of all such as must redeem their Mortgages, and Deposits. But,

Bills, wherever Banks have been erected (tho' Money Banks) have always been of better Value than Moneys in Specie. Whereof three Reasons may be given.

(1.) For the ease of Compting and Carriage; and preventing damage to the Receiver, by Counterfeit, Clip'd, Light or Base Coyn: (Which is obvious to all.)

(2.) For safety in Travelling, Laying up, &c. As visible as the other.

(3.) For the advantage that is to be made by the Exchange, on the account of such Conveniences. Whereof take two Examples, *viz.*

(1.) The Bank-bills of *Holland* are ordinarily better than Moneys, by at least *Three Pounds per Cent.* And,

(2.) Those in *Venice*, by *Twenty Pounds per Cent.* and Laws made there to keep them from rising [23] higher; for they were once at *28.1 per Cent.* and not without some difficulty Reduced to *Twenty*; so that each Bill of 100 *l.* is now Current at 120.*l.*

Obj. *But how is that Possible or Credible?*

Sol. There is this account rendred of it (which has confirmation by many other Instances that might be given, concerning the current Prices of many Commodities, which have not so much of intrinsique value in them,) *viz.* The State of *Venice* propounded the Erecting a Bank to consist of *Two Millions of Duckets*: Accordingly Moneys were brought in, Bills given out for the same Value; and a stop put to the receiving, or giving out any more of either.

The Usefulness of Bills was suddenly found to be such in the practice and imployment of them, upon the three fore-mentioned Accounts, that every Man, at one time or other, found his Affairs required them: So, that at first, such Bills

would not be parted with for Money, under *Ten Shillings per Hundred Pounds*; And no sooner was that become the Current Rate, but they were successively raised by *Ten Shillings* at a time, till they came to be in every ones Estimation, *28.1 per Cent.* better than Moneys in Specie; and so pass'd accordingly. Whereupon,

The State of *Venice* enacted several Laws against their passing so high: which failing to accomplish what was required, at length they conceived it necessary, in order to the bringing down the Price, to propose the giving forth Bills for *Three Hundred Thousand Duckets* more: By which means they [24] brought it back to *Twenty Pounds per Cent.* (which pleased the People) and there fixt it, as to its rising higher afterwards, by a severe Law; since when, it stands so to this Day: And this is no more than what is familiar in the Price of other things, *viz.* Diamonds, Rubies, Pearls, Horses, Pictures, &c. which have their Estimation from the various Pleasures and Fancies of Men, &c.

And, if it be demanded, what induced, that State to allow it so high?

The Answer is easie, *viz.* The State of *Venice* had made use of the Moneys deposited, in their Publick Occasions (where observe the hazard of a Money Bank) and, having promised for Satisfaction of Creditors, to raise the like Sum, if they should have occasion for it, reap this advantage, of their Peoples high Opinion of Bills, that, they are thereby assured, that never, will any Creditor come to ask them 100 *l.* for a Bill of 100 *l.* when he may have 120 *l.* from any other hand. A notable way to pay a vast Debt. But, by means hereof, the Creditor has no other Fund or Security but the States Word: For, there is not one Ducket for them in Bank.

*Q. 2. My Lands or Goods are already Mortgaged for Moneys, at a higher Rate of Interest; and the Mortgagee will not take Bills. Can such a Bank help me?*

*Ans.* There may be Persons, of whom you may be informed at the Bank, who will advise & assist you therein: If there be Moneys in the Countrey to be had.

*Q. 3. I have neither Lands nor Goods, but a Trade, by [25] which I could live comfortably if I had a small Stock; and I could afford to give a greater Interest, and have Friends that would help me too, upon my own Bond: But they have not Moneys. Which way shall I be help'd?*

*Ans.* If your Friends have Lands or goods, they may have these Bank-bills of Credit, at *Four Pounds per Cent. per Annum*, to Lend you at such Rates as you can agree: Whereby they also may be gainers, and have encouragement to help you.

Much more might be said upon this Subject, but these seem to be sufficient, for encouraging an attempt: And, the experiments of the things suggested will give such clear Demonstrations of the Usefulness, Advantage, Necessity & Security of such Banks, in most places, beyond all others that have been hitherto put in practice, as those who are not so prompt to receive things into their understandings by the Notions of them, or are prejudiced by mistaken apprehensions about them, & thence raise many impertinent Objections (not worth scribbling) may be presumed will follow others Examples, in well-doing, when those are observed to thrive who go before therein.

*We shall therefore, for the Conclusion, which is the last Particular mentioned, to be Discours'd, Sum up all, in this general Assertion, viz.*

THAT there will arise many more Conveniences & Advantages, by this Bank, to such Countreys where they shall be erected, than have been enumerated, in the several foregoing instances; or, well, can be.

[26] 1. By this, the Trade & Wealth of any Country is establish'd upon its own Foundation; and upon a *Medium* or *Balance* arising within it self, *viz.* The Lands & Products of such Countrey, & not upon the Importation of Gold or Silver; or the Scarcity or Plenty of them, or, of any thing else Imported from Foreign Nations, which may be with-held, prohibited, or enhansed, at the Pleasure of others.

2. The Native Commodities of such Countrys will thus become improved to a sufficiency (*at least*) for their own Use; and thereby afford a comfortable Subsistence to many ingenuous & industrious Persons, in such Countrys, who know not how to Subsist: Especially such as are Banish'd, or inforced to forsake their Native Countrys, by reason of the heat of Persecution, upon the account of Religion.

3. It will not be in the Power of any, by Extortion & Oppression, to make a Prey of the Necessitous.

4. The Fishery of such Countrys, as lye convenient for it, may be improved: and the Navigation & Shipping increased, for Use or Sale.

5. The Publick Revenues thereof, in consequence of these, will be augmented.

6. The rents of Lands, yea, the Purchase value thereof, will rise: For, the Plenty of Money, or a valuable Credit equivalent thereunto, & the Lowering of Interest, must necessarily have that effect.

7. It will supply the defect or scarcity of Moneys in Specie, until by the settling of *Manufactures*, &c. (which

this Bank proposes) the Products of such Countrey for Exportation shall come to Balance or Exceed the value of it's Importations; [27] which afterwards will necessitate the bringing in of Moneys, as fast as the want thereof hath carried it away. For, the true ground of the Plenty or Scarcity of Moneys in any Countrey, is not the high or low Value of the Money (as some erroneously conceive) but, that the Value of Goods Imported from other parts hath been greater than of the Export. The Balance whereof must necessarily be answer'd with Moneys, & for the same Reason, Revers'd, the Export of Goods when bro't to exceed the value of the Import, must, as necessarily bring it back again to such proportion as the Export can be raised. And whatsoever other means may be suggested for furnishing of Moneys, must be fruitless, for, there will abide no more than such proportion; let what Value will be put on Moneys above the Currant Price thereof in other Countrys with whom they shall Trade; which may be further Evidenced, if this hint thereof be not sufficiently intelligible. To which may be added, That the less need there is of Moneys in Specie, by reason of such Currant Credit, the more will be the increase of Money it self; as is manifest in *Holland, Venice*, & all Places where Bank-credit supplies the defect of those species; least, the Money that remains in such Countreys, will be at greater liberty for such petty occasions as cannot be so well accommodated by Bills.

In Order therefore, & as Prævious to the Enttring upon such an Affair, 'tis requisite that other Queries be Propounded and Resolved, viz.

Q. 4. *How shall it come to be known whether a sufficient number of Persons, of all Ranks, Trades, [28] and Callings,*



*will deal with this Bank?* The reasons of which Inquiry are these, *viz.*

(1.) It will be of use to the undertakers of such Bank to know it, for their encouragement in their entrance upon this affair. And,

(2.) To such others as would take the Bills, if they were satisfied they could buy such Goods, &c. as they want, with Bills, at as easie rates, as if they had ready Moneys to give.

*Ans. 1.* It will be requisite, that a short Declaration be tendred to be Subscribed by some Persons of all Ranks, Trades & Callings; signifying that they will accept the said Bank-bills of Credit, in their ordinary future dealings of Buying & Selling, or other Traffiquing affairs, whereupon they are to receive Moneys, for so much ready Moneys as shall be in such Bills mentioned, upon the Terms and according to the Rules of the Bank: Saving to every man his Specialties, & particular Contracts.

*Ans. 2.* That such as shall so declare themselves, by Subscription (or otherwise) may be put into Alphabetical Lists, and, such as take forth Bills may be informed of the Names of the said respective Persons, their Trades or Callings, and Places of Habitation. But,

*Q. 5.* It may be further inquired, *viz.* *What if some sorts of Persons requisite for a universal Circulation of Bills, will not, in all cases, ingage to accept Bank-bills: but some will wholly Refuse them, & Cry up Moneys inhans'd to a higher Rate than they pass at in other Countreys, &c. Others will be for either, or both, as they find it for their Advantage, &c.*

[29] *Ans.* Its not necessary that all should, in all cases, oblige themselves to Bills, as long as there is Moneys to be

had: But if there be not a sufficiency of that for carrying on of Trade, &c. as, this Bank hinders not the Currency of Moneys, but that may be employed as far as it will go, (which, for the most part, during the Scarcity of it, will be in small dealings), so, the Bills will be found useful to supply the defect. The needful proportion whereof will soon be understood; and each Person will cast his Business, and make his Contracts accordingly: And consequently, this need not hinder, or discourage the attempt; if there be a competent number of each, or most sorts, that cannot otherwise, deal as they would.

*Q. 6. And, if any shall inquire, What Number of Merchants and other Tradesmen may be sufficient (at first erecting such a Bank) to assist a Circulation of Bills in Trade, in case some should, not only withdraw from, but, obstruct, & misrepresent the Affair, or Persons managing it, as not having the Publick Approbation, or Sanction of the Authority of a Countrey, which they may suggest to be necessary? It's Answered,*

*Answ. 1.* A few Merchants in any Countrey who are general Traders (by the help this Bank proposes, in the foregoing Instances,) may be sufficient to give encouragement for the Entrance upon this Affair; and so many Shopkeepers, Artificers, &c. as must and will deal with them.

For,

*Answ. 2.* It may reasonably be presumed, that, many, in the practice of the thing will apprehend the necessity, usefulness, and security thereof, who cannot easily take it up in the Notion, or by Discourse: and that such will come in by Degrees: for, if, (being Merchants) they stand out, such of their Chap-men as shall find it their interest to sell for Bills, must buy again of others who will take them in

payment; and finding themselves well used by such, will hardly return where they have been refused: and, if of other Professions they must either Sell little, or do it on Trust, or wait for payment till moneys grow more plentiful; whilst others carry away the whole Trading among them.

*Ans.* 3. This part of the Merchants Calling, is, in every respect as Free and Lawfull for any to undertake, and needs no more of Publick Encouragement or Countenance, than that part of buying and selling (at home or abroad) with or for ready Money, Time, or Barter, which they better understand & practise. And the Managers hereof may as well expect a Benefit by it as the others: Forasmuch as it will no less take up their time to attend; and will be an improving the Trade of any Countrey, no less than the other: And lastly, has its Hazards attending it; for the Profits accruing thereby, are, in the first place assigned, by the Constitution and Rules thereof, for making good all Losses & Damages that may happen, in the Management of this Affair.

*De te Narratur, N. A.*

FINIS.

NOTE TO THE BOSTON REPRINT, 1714, OF "A MODEL FOR ERECTING A BANK OF CREDIT," ETC. LONDON, 1688.

The reprint follows the original so closely that it requires careful scrutiny to detect the differences between the two. There can be no doubt that we have here in pages 7 and 8, and in pages 13 and 14, the original text of the London edition of the "Model," etc. A comparison of these pages with the corresponding pages in the London edition will show how insignificant were the changes made in the inserted leaves. This volume, while it has a

Boston preface, lacks the touch with the political issues in the days of Andros derived from the added appendix in the copy of the London "Model," etc., heretofore printed.

The form of bank proposed is substantially the same as that to be found in the Blackwell prospectus; but it is stated in the preface that the projectors in reprinting this simply put it forth as being of much the same nature, as their project, though not in reality on so solid a foundation.

The copy and the facsimile of the title-page were originally procured through the courtesy of the Massachusetts Historical Society<sup>1</sup> for "Tracts relating to the Currency," etc.

<sup>1</sup> The pamphlet is also to be found in the Boston Athenæum, the John Carter Brown Library, and the Library of Congress.

# Objections

TO THE

## Bank of Credit

Lately Projected at

B O S T O N.

Being a LETTER upon that  
Occasion, to JOHN BURRIL, Esq;  
Speaker to the House of REPRESENTATIVES for the Province  
of the Massachusetts-Bay, in

New-England.

*Better is a little with Righteousness, than  
great Revenues without Right.*

B O S T O N:

Printed by T. Fleet, in Pudding-Lane,  
near King-Street. 1714.



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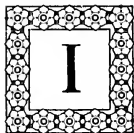
Printed by T. Fleet, in Pudding-Lane,  
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[3]

A

Letter, &amp;c.

SIR,



Believe it can't be unknown to you, That some time the last Summer, I presented a *Memorial* to His Excellency the *Governour* and *Council*, referring to the *Bank of Credit*, Projected by a Number of Gentlemen, Merchants, and others among us; and you must needs have seen in the Publick *News-Paper*, an Order of *Council* that was passed upon that Occasion; whereby the Projectors were directed to *Proceed no further in that Affair, until the next Session of the General Assembly*, That so the whole Government might be of Advice in a Matter of that Weight and Consequence. Notwithstanding all which, (I am loth to say in Contempt of it) the Persons Concerned, are openly carrying on their *Bank* with utmost Vigour and Expedition; as Supposing, and indeed Affirming, That the Government have nothing to do with them in that Affair: So that 'tis very much to be questioned, whether the Projectors will [4] make any Application to the *General Assembly* or not; looking upon themselves very Well and Sufficient without it. But does it follow, *SIR*, That the Government must sit still, and neither *Say* nor *Do* anything, when they see and hear of a Projection that is just ripe for Execution, which so very much Imports the Prerogative of the *Crown*, the Constitution and Laws of this Province, the Estates and Liberties of the People, and that not only for the present, but succeeding Generations? No, it can't be!



I doubt not, but that before I have finished this Letter, to prove beyond all Question, and that by very good Reason, That as it Principally, and in the first Place behoves the *Government*, and *General Assembly* of the Province, so it really Concerns every Man that has any Interest in this Country, with great Application to Enquire into, and Seriously Consider the Nature and Consequences of this *Bank of Partnership*, and that before it take Effect, and there be no Remedy: For do but suppose, *SIR*, This *Pandora's Box* once opened, and Two Hundred Thousand Pounds of these *Bank-Bills* Issued and Circulating upon *Loan*, or otherwise, and the Government at home should afterwards, in their Great Wisdom Disapprove and Suppress 'em, or it should otherwise Miscarry and come to [5] nothing, by any unforeseen Accident; into what Irreparable Mischiefs, Confusion and Misery would every body be Involved, that had to do with 'em? and the Blame and Reproach of it finally (with too much Reason) be thrown and Center on the *General Assembly*: For it will be Natural for every one then to say, *Ay! Why did not the Government Interpose and Prevent this?* And it was this very Consideration that principally Determined me at this time, freely to Communicate my Thoughts upon this Matter: And I could not, I am sure, think of a more suitable Person to Offer 'em to, than One, who has deservedly so good a Character and great an Influence in his Country.

But before I proceed any further, I must pray you not to mistake my Design; for my Intention is not so much to sit in Judgment upon this *Bank Projection*, as to Awaken the Government, (Pardon the Expression) and to Convince the Projectors, that not one Step in an Affair of this Conse-

quence, ought to be taken without the Knowledge and Leave of His Majesty's Government of this Province, and that for these two Reasons: Principally,

*First.* Because we are a Dependent Government, and must in all things Conform our selves to the Laws of *Great Britain*, and the Instructions of the "*Crown*;" and therefore [6] must expect to give an Account of all our Matters. And then

*Secondly.* Because the People of this Country have their next and immediate Dependance on the *General Assembly*, who are therefore to see to it, (as they will answer the Trust reposed in them) that the *Common-Wealth* receive no Damage by their Means. But to proceed in what I have further to say, I shall take this Method. First I shall give you a short Abstract of the Projection it self, and then some of my Sentiments or Reflections upon it.

The Projection in short, as I understand it is thus: *A, B, C, D, &c.* to the Number we'll say of one Hundred, by a certain Policy of their own Framing, Aggregate or Join themselves together into a *Company* or *Partnership*, in Order to make a *Bank of Credit*, as they call it, by Subscriptions, amounting to Two Hundred Thousand Pounds; which Sum they propose to make into *Bills*, of *Pounds*, and *Shillings*, and to let 'em out at Four Pounds *per Cent.* Interest; the Subscribers themselves being obliged to take out one quarter Part of their respective Subscriptions, and give good Security accordingly; the other three Quarters to be let out upon good Land Security, to such as will borrow 'em; the Profits arising from time to time, upon the Loan of [7] the *Bills*, to be to the Community or *Partnership*, excepting some Proportions thereof, which they propose for

the Use of the Government, the Town of *Boston*, and some other Publick Uses, after the Expiration of such a Time, and on certain Conditions therein Expressed. And for the better Management of their Affairs, they have their *Treasurer, Directors*, and other Officers, &c. But for your further Information of the Projection, I will now Insert the Form of one of their *Bills, Viz.*

s.

(20)

**T**HIS Indented Bill of Twenty Shillings, Obliges us, and all and every of us, and all and every of our Partners of the Bank of Credit in Boston in New-England, to Accept the same in all Payments, according to Covenant made by us, on Publick Record; and that it shall be accordingly received by the Treasurer for the Redemption of any Pawn or Mortgage in the said Bank. Boston, &c.

Now in the first Place, *SIR*, How Plainly and Greatly must the Prerogative of the *Crown*, and the Honour of Government be [8] affected by, and concerned in this Projection. Dare any Man of Law, or will any Man that loves or understands any thing of Government, Say, or Imagine, That such a *Bank* as this, may Safely, or can indeed Possibly be set up, and carried on without a *Charter* from the *Crown*? Shall a Number of Persons, of their own Head, Form themselves into a Company, by a Constitution of their own making, and Erect themselves into a *Body Politick*, and Corporate to all Intents and Purposes in the Law, so as to Sue and be Sued, to Purchase and Grant Lands to take in Succession, with the Power of Making and Lending at one Stroke, the Modest Sum of *Two Hundred Thousand*

*Pounds*, and afterwards as much more as they shall see meet? Certainly, Men that Talk at this Rate, must be absolute Strangers to the Constitution and Laws of *Great Britain*, the Honour of Government, the very Notion and Nature of Corporations: For any one that has but lookt into the History of *England* and *London*, will find that the several Companies, Fraternities, and Corporations there, have been all of them Created, either by *Charter* from the *Crown*, or by Act of *Parliament*, and some of 'em by both; and neither have, nor pretend to any other Powers, Franchises or Liberties, than such as are Given and Limited to 'em in and by their several [9] *Charters*. And indeed it is altogether Absurd in the Law, for a *Body Politick* to create it self, as in Philosophy for the *Body Natural*.

The *Law-Books* of *England*, do all *Una Voce* Proclaim it as an undoubted Truth, That all *Powers Politick*, all *Franchises*, *Liberties*, *Charters* *Corporations*, and the like, are Derived from the King, as their Original Fountain. And I believe this is the first time that ever any thing to the Contrary entred into the Reason of any Man out of *Eutopia*. I am sure the Great and Famous *Bank of England* was first Founded, and is still Supported on the strength of an Act of *Parliament*, and a *Charter* of the late King *William* and Queen *Mary* of Glorious Memory; as may be seen at Large by the said Act of *Parliament* made in the Fifth and Sixth Years of that Reign: Whereby Their Majesties were Impower'd to Incorporate a Number of Gentlemen, Merchants, &c. by the Name of the *Governour and Company of the Bank of England*; who were to Govern themselves by certain Rules and Limitations, made partly by the said Act of *Parliament*, and to be made by Their Majesties in the

*Charter*, and which was finally Subject to the Condition of a Redemption by *Parliament*.

[10] But our Gentlemen, it seems, have found out a nearer way to a *Bank* and *Corporation*, than the Tedious and Troublesome one of a *Charter* from Home, or Acts of *Assembly* here; and not only presume to Incorporate themselves, and make their own Rules and Orders, but also very Dutifully foreclose and shut out the Government from any Power of Redemption, or indeed any other Concern with 'em.

Possibly these Gentlemen may say, They don't pretend to Incorporate or make themselves a *Body Politick*, &c. but to Obviate that Objection, I shall give you the Notion, and Nature of a Corporation, as I find it in my Lord *Cook's* Institutes, and then leave you to Judge how Inconsistent this Objection is with their Policy or Projection.

My Lord *Cook* says, 'A Corporation is a Body to take in Succession, Framed as to that Capacity by the Policy of Man, and called a Corporation, because the Persons are made into a Body, and so are of Capacity to Take or Grant, &c. with Powers to Sue or be Sued, &c.' Now 'tis easy to observe, how fully the Projectors, in their Scheme, have come up to this Description of a Corporation.

[11] As to their Bank-Bills, I readily grant they are not Money; for indeed nothing can be Money properly, and in the Law of *England*, but *Silver* or *Gold* (both which are of an Intrinsick and Universal Value) that has the Impress of the Prince, and made Current at a Rate, or Value set by Act of *Parliament*, or Proclamation of the *Crown*. However, these *Bills* will have as much the Face and Signatures of Money, as even the *Bills* of the *Bank of England*, or the *Bills of Credit* of this Province: For they are to be *Printed*,

to be *Stamped* with an *Escutcheon*, to be *Mark'd* with *Pounds* and *Shillings*: They are to be Let out at Interest, and finally, the Projectors themselves tell us, They are to serve as a *Medium* of Exchange, which was the First Rise, and still continues the End and Use of Money. But that which I Insist on under this Head as before, is, That no Person, or Number of Persons whatsoever, can Assume, or may Dare to take this Power to themselves, but must Derive it from the *Crown*.

But besides what I have said of the Prerogative, the Nature of *Corporations* in General, with *Political Powers*, *Liberties*, &c. and in Particular of the *Bank of England*, I must needs observe to you, an Act of *Parliament* made in the Sixth Year of the Reign of our [12] late Sovereign Lady Queen *Anne* of Blessed Memory, wherein it is Enacted, *That during the Continuance of the Bank of England, it shall not be Lawful for any Body Politick or Corporate, other than the said Company of the Bank, or for other Partners exceeding Six in England, to borrow, or Owe any Sum on Bill or Note Payable on Demand, or at any time less than Six Months from Borrowing thereof.*

Now I shan't trouble you or my self, to Argue how far this Projection would be a Breach upon the Constitution of the *Bank of England*; yet I think it is very fair and easy to observe, that so great a Number of Persons, as our Projectors consist of, may by no Means, without a sufficient Power first had, presume to Make or Issue these their Joynt *Bills* or *Notes*. For certainly, if the same Fact committed in *England*, by a Number exceeding Six, would be a breach of Law, much more may we suppose it forbidden and made unlawful for an Hundred to do it here.

We frequently meet in our *Law-Books*, with Informations in the Nature of *Quo Warrantos* against Corporations and Bodies Politick, for Usurping Powers, Franchises and Liberties not belonging to them; or for abusing and acting contrary to those that do. And the [13] Defence generally made in those Cases has been Founded on their several *Charters*. But now suppose such an Information were Ordered to be brought against these Projectors, what Defence in the Law could possibly be made by them, or for them?

I now proceed to the next General Head which I proposed, and that is, How far the Government, and the very Constitution of this Province may be affected by, and therefore ought thoroly to Inform themselves about this Projection: And I think nothing can be plainer, than that the *General Assembly* of the Province, are under a necessity of Enquiring into the Legality, the Justice, the Safety, and Publick Advantage of this *Bank*, and if judged otherwise; by some proper Act, or Publick Order to Declare against, and forbid it, until His Majesties Pleasure may be known upon it. And as no wise Man, or good Subject can question the Power of Justice of the Government in so doing, so 'tis much to be feared on the other Hand, in Case they should be wholly Silent, they might be called in Question at Home, for any ill Consequences of their Neglect therein: For I can't agree by any means with those Gentlemen that Argue, Because the *Bank* is Private, and the Government as such not In-[14]terested in it, that the whole Blame and Damage will fall on the Projectors. Can it be Imagined, that when this Affair has been so Publick, the Government Notified of it so Effectually, and the Projection it self of so high and extraordinary a Nature, That upon the whole, no Account

will be demanded by His Majesty of the Government, what Methods they took upon this Occasion, to secure the Honour of the Crown, and the Safety of the Subject. But be that as it will, I think it very Unreasonable, and absolutely Inconsistent with the Honour, the Power, and Wisdom of this Government, to suffer any Projection whatsoever, tho' otherwise never so well framed, to be set up and carried on, and they have no Advice about it, no Authority over it, nor so much as a Power to Redeem it, in case they see good. This will be in effect, to suffer a Number of their own People to set up an absolute Independent Government, which like a Fire in the Bowels, will Burn up and Consume the whole Body. If such things as these may be Tolerated, 'twill be a vain thing any longer to talk of Government, a Power of making Laws, Regulating Trade, &c. For they that can make at one Dash, the Sum beforementioned, and as much more when they please, will quickly Govern the Trading part, and by degrees [15] get the Land, of the Country Mortgaged to them, and so at length bear down the Government it self, *and nothing be restrained from them.* For which Reason I hope, and doubt not, but that the *General Assembly* of the Province, will upon this great Occasion, exert their proper Powers, as they have once and again heretofore, when they have been under any apprehensions of Danger, either to the Government, or the Publick Good. Two notable Instances whereof you'll find in the *Memorial*, one with respect to the making of Money, and the other of a Partnership or Company, both which are Published among the Printed Acts.

As to the Act of Parliament of the Sixth of the late Queen beforementioned, the Act of Parliament of late also made



referring to Money in the Plantations, the several Laws of our own Province, with respect to Money, and the Interest of it; as also those that concern the *Bills of Credit* Established on the Province; all of which will more or less be Affected, Invalidated, and broke in upon by this Projection. I have taken so much Notice of them in the Memorial, that I shall forbear saying anything more on that Head here, save only to Remark, That as the *General Court* or *Assembly* of the Province, so [16] certainly no particular number of Persons in a Company or Partnership, can Pretend, or must Presume to Institute or Establish any thing Repugnant to the Laws of *England*. And so I pass on, in the last Place to Consider the Frame and Nature of this *Laudable Projection*, as some are pleased to call it; and my Objections to it are such as these.

*First.* Its absolute Independency on the Government, either as to its Regulation, or the power of Redemption; which, as I observed before, is a thing Intolerable, and without Precedent, and never so much as entred into the Minds of the Projectors of the Great *Bank of England* to Ask, much less of the Government to Grant.

Secondly, I cannot see the Reasonableness and Justice of of it, betwixt the Subscribers and Borrowers: For, as I have remarked already, the Subscribers are obliged to take out but a Quarter part of their Subscriptions, the other three Quarters is to be Let out at four *per Cent.* Interest, upon good Security. Now, according to the common course of Interest, in less than Twenty Years, and if the Company shall please, by issuing out a greater Quantity of *Bills*, in a third part of that Time, the Subscribers will have cleared their [17] own Mortgages, draw out their own Stakes, and

so have the Interest of the whole to share among themselves, and the *Bubbled Borrowers* pay Interest for their own Estates. Pray where's the Justice of this? Why should not the Borrowers when it comes to that, have some of the Profits of the *Bank*, when their Estates are the only remaining Fund? I confess, it may seem a very easy and short Way of getting an Estate; but sure no Projection can expect to Succeed, that is not Founded in Commutative Justice and Common Honesty.

I should be glad to know of these Gentlemen, that pretend to be so Publick Spirited in this Business, whether they could be Contented, and have the same Opinion of this *Bank*, if their Names were taken out of the Policy, and an equal Number of others put in, and I suppose, without any Reflection, as Good may be found, and so instead of being Lenders, they would become Borrowers of these *Bank-Bills*? I am afraid not! For the Business is, and very good Business it would be, in one Day to be Masters of 150000 *l.* and without any Risque at all, or any other Charge or Trouble, except the Printing and Signing a few pieces of Paper, to accept of Six Thousand Pounds *per Annum* Interest: By [18] which Method, in effect, the Projectors would immediately have the Profits of other Mens Estates; and finally, as the Matter may be managed, the Estates themselves, without a valuable Consideration; their *Bank-Bills* being but pieces of Paper that have other Value, but what the Borrowers give them. And yet we are made to believe, that the Borrowers are well dealt with, if tho' they pay Interest, yet they may at last have their own Estates or Pawns back again, upon bringing in the Bills. If this be not the *Philosopher's Stone*, there is no such thing in the World.

*Thirdly.* It must, I think, unavoidably prove a great Snare and Mischief to some People that want Money to pay their Debts or otherwise, for whose Ease and Advantage nevertheless the *Bank* is Projected: As for Example; A Man owes me one Hundred Pounds upon Bond, in the *Bills of Credit* of the Province, and very readily pays me Six *per Cent.* Interest; to Discharge which, he repairs to the *Bank*, and Borrows 100 *l.* in their *Bills*, and comes to take up his Bond: Can any Man in Prudence or Justice think, that I shall take one Hundred Pounds in *Bank-Bills*, that will fetch but Four *per Cent.* for one Hundred Pounds in *Province Bills*, that People so willingly give Six *per Cent.* for? No sure. I must at least [19] have as many of the *Bank-Bills*, as will fetch Six *per Cent.* And if the *Bankers* should out of their great Generosity, and in Compassion as they pretend to such as want Money, Let their Interest at Three, or two *per Cent.* Interest, the Case would be so much the worse.

*Fourthly.* What Security will the last Possessor of these *Bills* have to depend upon, in case this *Bank* should be broke up, either by the Government, or its self? As for Example: A Man has one Thousand Pounds of 'em by him; what shall he do with 'em, when the Credit of 'em is come to nothing? For, by the Tenour of the *Bills*, as you see, they are only obliged to accept of 'em for the Redemption of Pawns or Mortgages; and this Possessor has neither to take up. Possibly you'll say the *Bankers* will Assign him over a Mortgage: To that I answer, That the Foundation being gone, everything else will fall with it. I doubt our Courts would never Adjudge those Mortgages to be good in the Law, being for no Valuable Consideration, so that the

Lands so Mortgaged, would Revert to the Original Owners, like the Year of *Jubilee* among the *Jews*. And then as to the Possessors Suing of the Company to make good their *Bills*, first there will be no such thing in case they be Dissolved, by Order of [20] Government; secondly, If in the other Case, it should sink of it self, they may prove Insolvent, and so the Possessor be finely *Lurched*: For which Reason, all Wise Men will be afraid to meddle with them, or be sure to get rid of them as fast as they can.

Fifthly. The Name and Stile of this Projection, is a *Bank of Credit*: Now I take it for a certain Rule, That no *Money-Bank*, as we may call it, can or will possibly have any *Credit* that is not Equal, either Really, or in Reputation, to the True or common Current Money of the Country, or Place where such *Bank* is Erected: And You may depend upon it, *SIR*, That if the *Bills* of the *Bank of England* it self were not looked upon as good as *Specie*, and in effect a *Money-Bank*, the Credit of 'em would quickly come to nothing. For which Purpose there are always kept in the Office of the said *Bank* in *London*, Vast Sums of *Silver* and *Gold*, to Exchange for their *Bills* to any one that demands it. Besides which, the *Exchequer*, as you may see frequently by the *London-Gazett*, is always ready for that End to Assist 'em with whatever Sums they may have Occasion for. But now our Projectors don't so much as pretend to have the least Doight of *Silver* or *Gold*, or even a Stock of *Bills of Credit* of this Province [21] to Answer, in Case of Necessity, or to support the Credit of their *Bills* withal. And I am sure they have no reason to expect the Assistance of the Government upon any Emergency, since as yet, they have not so much as Consulted them in the whole Affair.

*Sixthly.* I cannot but think, the Making and Issuing so great a Quantity of these *Bank-Bills*, will be attended with a great deal of Mischief and Confusion as to Money in General: Now Money is of the greatest Importance, and last Consequence to a *Common-Wealth*; for as 'tis the Sinews of *War*, so 'tis the Strength of *Peace*: For which Reason, we can't have too much of that which really is Money, but we may very easily have too much of that which is not so.

The poorest Country-Man in the Province, is not convinced to this Day, but that *Silver*, tho' never so Rough and Unpolished, is preferable to the finest *Paper-Money* that ever was seen. We have had too much Confusion already in the Province, by the Difference that has been made between *Silver-Money* and our Publick *Bills of Credit*, (when yet they were Supported by the Government) and are hardly got over it to this Day. But into what [22] a Gulph of Misery by *Stock-jobbing* Difference of Money, and innumerable other Mischiefs shall we be plunged think you, when such a Flood of Private *Paper-Money* comes to be poured out among us? 'Tis now more than Twelve Years since the Government first began to Make and Issue the *Bills of Credit*; and tho' the Occasions and necessities of the Province have been very Pressing and Urgent, yet in all that time, they have made but about Two Hundred and Forty Thousand Pounds: But as if that were a small Thing, our Gentlemen propose at once to Make and Issue out 200000*l.* And by the same Reason that a *Bank* is set up in *Boston*, several others may go on in the several parts of the Province; and what can the Consequence of this be, but to Confound the People, and make Money Vile and Contemptible; and as much as in them lies, to Alter and Destroy the very Nature

of Money? So that instead of Answering all things, as it has always done, and ought to do, it will now Answer nothing, and be worse than every thing else; For that which really makes the Value of Money, among other things, is its Rarity: So that upon the whole, the Remedy proposed by these Projectors, will be much worse than the Disease. As to the Business of Trade, for the Ease, Benefit, and Advantage whereof [23] this Wonderful *Bank* is Projected, it would be well Considered, First, Whether we have not generally run upon too much Trade for our Profit already? For if I am not mistaken, tho' I am no Merchant, the greatness of the Credit given in Trade, has in a great Measure brought this want of Money upon us.

I confess, as to the Encouraging the Produce of our own Country, and our own Manufactures, the Exporting of our own Commodities we cannot well exceed; but if we Import from Abroad, more than we can Pay for, by what we Produce our selves, or Purchase from others with our own Commodities, we shall unavoidably grow Poor, and a Million of *Paper-Money* won't help the matter at all: So that the less we Import from Abroad, the less Money or Medium of Exchange, the Trading part will want. And here indeed has been our great Improvidence and Unhappiness in this Country, (of late Years especially) that the greatest part of our Consumption in *Boston*, and other Sea-port Towns, almost to Food and Raiment, has been of Foreign Commodities, when the same things might be raised among our selves, were the Produce of our own Country Encouraged, at least, so much as to make a Ballance of Trade in our Favour. Besides all which, I [24] cannot but think it the Duty and Interest of our Merchants and Traders, who have been the great Oc-

casion of the Loss of our *Silver*, to Project some way of Recovering it again, and manage the Trade, so as that a good Proportion of *Silver* and *Gold* might once more find the way into *New-England*, and there remain for the Honour and Service of the Government and Country, who have Suffered and been Exposed too much already for want of it; and had not the absolute Necessity of the Government and People Required it, it had been better (in the Opinion of many Wise Men) for the Province, they had never made any *Bills*, or *Paper-Money* at all.

I might also mention the great Extravagance that People, and especially the Ordinary sort, are fallen into, far beyond their circumstances, in their Purchases, Buildings, Families, Expences, Apparel, and generally in their whole way of Living: And above all, the excessive Consumption of *Rhum* and *Wine*, as one of the greatest Sources and Causes of the present Distress: Hereupon it must be granted by every one of common Sense and Observation, That if the Importation of Foreign Commodities were less and especially those [25] two Branches beforementioned, *viz. Rhum* and *Wine* Reduced to what only might be Necessary. Were but a tolerable Proportion of *Silver* brought in to us, which might be effected with Ease and Profit, were Frugality and good Husbandry Universally in Fashion among us, there would not be such a Clamour for want of a *Medium* of Exchange. I confess, as things are at present Managed and Circumstanced among us, both *Silver* and *Paper-Money* is become very scarce; tho' really more in *Boston*, and among the Trading part, than in Proportion, in the other parts of the Province. And the last Session of the *General Assembly*, when I had the Honour to be one of an Extraordinary *Committee*

raised for that Purpose ; I gave it as my Opinion, *That considering the Demand of the Government as to the Taxes, and the great Occasions of the People as to their Trade, it might be convenient to Make and Issue out a further Quantity of the Publick Bills of Credit, &c. in such a Method as was then agreed on* : And of the same Opinion were all of that *Committee*, save Two, as I Remember, and they consisted of Thirteen : And accordingly a Report was made by the *Chair-Man*, in the Name of the rest. But how that Matter dropt when it came into the *Lower House*, I shall not take upon me here to say, tho' it may easily be guessed at. However, I perswade my-[26]self, that when the *General Assembly* comes to Review that *Report*, the Scheme then Agreed, will be found the best, if not the only Expedient to Relieve the present Distress ; and the Gentlemen that Oppose it, will I'm Confident, have no Thanks from those they Represent.

SIR, I do not pretend in all, or any thing that I have said, to be against a *Bank of Credit* in General, were it well Founded, well Limited, and Regulated by the Government, and Equal to our own *Current-Money*, as such a *Bank* ought to be : But I am utterly against this present Projection, for the Reasons I have given, and many others that might be Mentioned : And since, as I said before, and I really am of that Opinion, That there is a Necessity of Supplying the People with a further convenient Quantity of *Bills of Credit*, for the better Payment of their *Taxes*, and the ease of Trade. I am absolutely for its being done by the Publick, and for such Reasons as these.

*First.* We have had Twelve Years Experience already of the *Publick Bills*, with great Honour, Safety, and Success ; Whereas the Private Projection, is a Path that has



never yet been Trod, and what the Consequences may be, we don't know.

[27] *Secondly.* The *Bills of Credit* upon the Province, are Equal even to Seventeen Penny half-penny Weight, as to the Publick Tax, and by a late Act of the *General Assembly*, they are made a good Tender in the Law, as to all Debts Contracted in the Common Course of Trade. and by that means upon the Matter, made of an Intrinsic Value, and so the Credit of 'em Firm and Necessary.

*Thirdly.* The Profits in Case the Government Issue the *Bills*, will always Redound to the Publick, and so every one will have a Benefit thereby. And again, we may reasonably suppose, that the Government would be more Sparing and Cautious, and not so Lavish in Launching out their *Bills*, as a Private *Bank* would be, not being under the like Temptation: By which means the Credit of the *Bills* would be the better preserved. Besides which, the Province has once and again made good Counterfeits, and further provided against 'em, as you may see by a Private Act made in the Third Year of the late Reign, and a Publick Act made the very last Session of the *Assembly*: Whereas there is no Provision at all against Counterfeits in this Private Projection. And to mention no more upon this Head, the Fund of the Publick *Bills of Credit*, being the Province in General, according to the ordinary Course of Things, can never be doubted, or in Danger.

[28] I know very well what the *Bankers* Object to all this, *viz.*

*First.* That as by the Constitution, it is in the Power of the *Governour* and *Council* to draw out the Publick Money, so it would be much more in His Power to lay His

Hand on the Money so made and Let out, it being not raised for His Majesties Use, and Appropriated, and thereby Endanger the Liberties of the People. To this I Answer, First, That according to the Scheme agreed on, and Reported by the *Committee*, The Principal and Profits of that Money were so Settled and Secured, that nothing less than the *General Assembly* could Dispose of either. Secondly. As the Projectors have Ordered their *Bank*, 2000 *l.* of their Yearly Profits they design to present to the Government: Now what they mean by that, is uncertain. First, If they mean a Governour that they shall please to like, I'm sure it would be a very effectual way to Enslave this Country, by an understanding between such Governour and the *Bank*. Secondly. If they intend the *General Assembly*, then I say as in the *Memorial*, That this Government neither can nor ought to be Maintained in any other Method, than by the *Charter*, and Instructions from the *Crown*.

*Secondly.* That the Government have no Power to do any such thing, as to Make and [29] Lend out any *Publick Bills*; but with what design they make, and how well they Enforce this Objection, I leave the World to Judge, and with their Favour, I should think the *General Assembly* as Capable of knowing and understanding their own Powers, as the Projectors for 'em. I am sure it was the Opinion of the *Committee* beforementioned, That the *General Assembly* of the Province, were sufficiently Impowered by the *Charter*, whenever the necessary Support of the Government required it, to Make and Issue these *Bills of Credit* in the Method then Proposed. And their Opinion was Founded upon that Clause in the *Charter*, referring to imposing reasonable

*Assessments, Taxes, &c. In the necessary Defence and Support of the Government, and the Protection, and Preservation of the Inhabitants there, &c.*

Now First, There's nothing in the *Charter* Repugnant to the Governments Issuing a further Sum of *Bills*. Secondly, It has been done, once and again, upon great Occasions, and the Government not blamed for it, that I know of. Thirdly, If the necessary Support of the Government of this Province, and the Preservation of the People, (for those are the Words of the *Charter*) require the Making and Issuing a further Quantity, then 'tis directly within, and well Warranted by the *Charter*. Now I think we are all agreed in this, That neither [30] the Government nor People (as to their Trade and Business) can well be Supported and carry on their necessary Affairs much longer, without a further Supply of Money, or *Bills of Credit*. Besides which, the Projectors would do well to tell us, how it comes to pass, that they should have so great a Power of Supplying the People with Money, and the *General Assembly* have none at all. But certainly, if the *Bankers* are so wise and Cautious to the Powers of Government, for fear they should be exceeded, and the Constitution thereby Endangered; it much more behoves the *General Assembly* of the Province, to Exercise this Caution, with respect to this Projection, and effectually secure the Honour and Safety of the Government, the Estates and Liberties of the People, which is the very thing I Contend for, And that which Comforts me in what I have said and done upon this Occasion, whatever the Event prove, is, That I have had no Private View, or Seperate Interest, much less any Prejudice to the Gentlemen concerned; among whom I have many particular Friends;

but have Sincerely aim'd at the Publick Good. *SIR*, It was the Excellent Character of the Heads of the Tribe of *Issachar*, in *David's* Time, and Recorded for their Honour, and our Imitation, That they were Men of Understanding in the [31] Times, to know what *Israel* ought to do, &c. I earnestly Desire, and Believe, That the Heads of our Tribes like them, upon this great Occasion, may and will Discern both Time and Judgment; know and seek the true Interest of their Country: And I shall be glad, if I may in any wise contribute to so good an End, by what I have here Offered. You'll please to Excuse the Trouble of this long Letter, and Communicate it as you think Proper.

I am, *SIR*,

Your very Humble

*Boston, October 22.*

1714.

and Affectionate Servant

*P. Dudley*

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#### POSTSCRIPT.

SINCE the Date and Delivery of this Letter, I understand the *Bankers* have new Modelled their Projection, and Reformed it, as they reckon, in two Articles: But how long this new Scheme will hold, is uncertain. First. Instead of Four, [32] they now propose to have Five *per Cent.* Interest; but they would do well to tell us by what Law, or with what Justice they can pretend to ask or receive one *per Cent.* or indeed any Interest at all, for their own *Bills*, which (as before is observed) are nothing in themselves, have not the Foundation, the Advantage and Value of the Publick *Bills of Credit* on the Province, nor ever can with-

out the Government, and must be wholly obliged to the Borrowers for their present worth or Currency. And I believe this is the first time that ever Interest was asked for any sort of Money or Bills that had not the Stamp or Authority of a Government.

*Secondly.* They have Reformed the Fund also, in obliging the Subscribers to give in Real Security, to the Value of 200 000 £ the full sum of the Bills proposed to be made, and so not to be obliged to the Borrowers for any part of the Fund. I confess, there seems to be some Justice in this, and serves to prove, that there was Reason and Weight in my first Objection to the Nature and Frame of the *Bank*; And when they have Answered the rest, and made a thorow Reform of their Projection, so as it may be Consistent with the Honour and Safety of the Government, the Liberties and Properties of the People, and agreeable to the Rules of Reason, Justice and Equity, I believe every one will Encourage and give in to it.

### FINIS.

#### NOTE TO "OBJECTIONS TO THE BANK OF CREDIT," ETC.

Paul Dudley, the author of this pamphlet, was the son of Governor Dudley, and was at that time attorney-general of the province. He was in the course of his career a member of the house several times, and was also elected a number of times to the council. He was appointed a justice of the superior court of judicature after serving as attorney-general, and at the time when Admiral Knowles brought his libel suit against Dr. Douglass, because of the libellous attack on him in the original edition of the "Summary," Dudley was chief justice of that court.<sup>1</sup> He was fellow of the Royal Society, and was

<sup>1</sup> Publications Colonial Society of Massachusetts, Vol. III, p. 229.

a learned naturalist. He established a course of lectures at Harvard College, designating the subjects, and the administration of this foundation is to-day a source of perplexity to the authorities of that institution. For a sketch of his life see Appletons' Cyclopædia of American Biography.

He refers in the pamphlet to a memorial presented by him "last summer" to the governor and council. The News Letter of August 23, 1714, contains an announcement of the action of the council taken August 20, upon reading a memorial presented by the queen's attorney-general. This was in effect an order that the projectors or undertakers of the proposed bank, do not proceed to print the scheme, or to put it on public record, or to make or emit any notes or bills, until they shall have laid their proposals before the general assembly.

The pamphlet is a 16mo. of thirty-two pages including the post-script, the leaves at present measuring  $5\frac{7}{8} \times 3\frac{1}{2}$  inches. The copy and the facsimile of the title-page were originally procured for "Tracts relating to the Currency," etc., through the courtesy of the Boston Public Library.<sup>1</sup> On page 19 of this copy of the pamphlet some person has drawn a line through the word "Interest" and written "Bills." The correction should obviously be made. The word in question is the thirty-sixth on page 19.

John Burril, a resident of Essex County, to whom, as speaker of the house, the "Objections" were addressed in form of a letter, was a prominent man, who was much respected by his neighbors and left behind him an enviable reputation as an upright, just citizen who devoted a large part of his life to public service. He was town clerk for thirty-one years, representative for twenty-two years, speaker of the house for ten years, besides having filled the position of councillor and served upon the bench as a justice of the court of common pleas. Hutchinson left on record a statement of the high opinion in which he was held by his contemporaries.<sup>2</sup>

<sup>1</sup> It is also to be found in the American Antiquarian Society, the John Carter Brown Library, and the Library of Congress.

<sup>2</sup> History of Massachusetts, Vol. II, p. 212; Lewis and Newhall's History of Lynn, p. 489.

A  
L E T T E R,

From One in

B O S T O N,

To his Friend in the

Country.

In Answer to a Letter directed to

*John Burrit, Esqr.*

Speaker to the House of Re-  
presentatives, for the Pro-  
vince of the *Massachusetts-*  
*Bay in New-England.*

Printed in the Year 1714.





A  
LETTER,  
From One in  
BOSTON,  
To his Friend in the  
Country.

In Answer to a Letter directed to

*John Burriel, Esqr.*

Speaker to the House of Representatives,  
for the Province of the *Massachusetts-Bay*  
in *New-England.*

Printed in the Year 1714.

[1]

SIR,

**U**PON your so earnestly repeating your Desire to me, to give you my Thoughts or the Thoughts of the Gentlemen of this Town, relating to the Bank of Credit Projected; and to a Letter directed to the Speaker of the House of Representatives against it, and the Objections made against it with no common Applause, cryed up by the Court Interest as Unanswerable; tho I readily acknowledge my self as unfit a Person as you could have Writ to about it, being not concerned with the Gentlemen in the Projection, and but little conversant with them, and in that I pretend to little or no acquaintance in State Affairs, or in Trade; yet when I sat my self down to Read that Letter, it appeared to me so trifling, and below the Character of the Gentleman that Subscribed it; that it confirmed me in my thoughts, that the Cause was not so good, as some Others he has pleaded, and invited me in a few Remarks to comply with your Request.

I frankly acknowledge, that I have been sometime of the Opinion, that a Bank of Cre-[2]dit, well Founded and well Regulated, would be of the greatest Advantage imaginable to this Country; and therefore it was a real pleasure to me, when I first understood that a Number of Valuable Gentlemen were Concerting proper measures to accomplish so desirable an end. But I must confess my self to have been at a Loss when they had given the finishing stroke to their first Scheme, wherein I apprehend they had left the foundation too fluctuating and changeable for a Land Bank, and that, tho' the Possessor of the Bills Emittid, had good Security,

yet it seemed to me that they had not secured it well against one another, but had left it too precarious and dependent on the Caprice of every Accident, and the Probity and Justice of they knew not who, which might come after them, yet I am very ready to excuse them that they did not arrive to the best method in their first Essay; but since this great Mistake is Corrected in their last Model, *viz.* by every ones Mortgaging a Real Estate in proportion to the Interest he is to have in the Bank, and so to abide during its Continuance; hereby there is suitable provision made not only for the Credit of their Bills and Notes, but a sufficient Obligation upon them to do Justice to each other, & to every man that shall be concerned with them, in case the Bank or Partnership shall come to an end; which the Author of the [3] Letter himself allows to be good; which in my Opinion before was not: All that I have to do is to blow off the Cloud of Dust and Smoke, which the Author of the Letter has covered the Bank with; that when it comes to stand in its native light, we may be the better able to pass a Judgment upon it; and that I may have the advantage of standing on my own ground, (and be freed from the incumbrance of making good any of his) it will not be improper to tell you, how far I can agree with the Author of that Letter, *viz.* *That the People as to their Trade and Business, cannot well carry on their necessary Affairs much longer, without a further Supply of Money, or Bills of Credit,* page 30. *But there is a necessity of supplying the People with a further convenient quantity of Bills of Credit,* page 26. The Question then is, Whether the Publick shall Emit these Bills of Credit; or whether it had not better be done by a Company of men in the nature of a Private Bank of Credit. I agree with the

Author also in this, *That I am not against a Bank of Credit in general, were it well founded, well regulated*, page 26. I leave out the words (by the Government,) because the Consideration, whether by the Government, or otherwise comes under the foregoing Quæry; so that the Question here is *Whether or no this Projection for a Bank of [4] Credit be well Founded, well Limited, and Regulated?* And here I cannot avoid doing the Gentlemen that Justice to say what some of their Number have informed me, namely that when they first waited on his Excellency with their first Scheme, they were desired to leave the Limitation to the General Court, that it was a proper Compliment to pay them, to desire them to set the Sum, which was one reason why there was no Limitation; but this by the way.

We agree thirdly, *That the Projection of a Bank of Credit, very much imports the Prerogative of the Crown, the Constitution and Laws of the Province, the Estates and Liberties of the People; and that not only for the present, but Succeeding Generations*, page 4. For I take it, that the word import when so used, generally means to be of advantage; however to deal fairly, it shall be the question, *Whether it imports to their advantage or disadvantage, and which does most of all import them, the Publick or the Private Bank?* I agree with him also, *That it behooves the Government and General Assembly of the Province, and really concerns every man, that has any Interest in the Country, with great application to enquire into, and seriously consider the Nature and Consequences of this Bank or Partnership*, page 4. And so Sir, I am sufficiently warranted to make my Enquiry, and endeavour to set things in a true light; but to find [5] these things wherein we agree so confusedly jumbled together as they are

in Mr. *Attorneys* Letter, that they might appear a sort of dark Arguments against a Bank of Credit, is such a fine Amusement to the ignorant and Injudicious Reader, and such an odd way of reasoning, that we could have expected it from none, but he that had lost his own eyes, or thought every body else was blind. And to be plain, when I heard of such a Letter published in Mr. *Attorneys* Name, I expected to find the strongest Arguments, and the fairest Pleadings that could be, against the Private Bank of Credit, from a Gentleman of so bright Parts, and so Learned in the Law as is his general Character: Yet I must assure you, that I had not read over the first page, before I had altered my mind, and received this settled Idea of the whole Piece; that I should find nothing in it but Evasions, Doublings and Misrepresentations, and some few amusements; for I was astonished to see so fair (not to say false) a light given to the Order of the Governour and Council, which being Publick, every one has the opportunity to see and judge of the fallacy. He tells us, page 3. *That the Projectors were directed to proceed no further in the Affair, till the next Sessions of the General Assembly; notwithstanding all which (I am loth to say in contempt of it) the persons concerned are openly carrying on their Bank with utmost Vigour and [6] Expedition.* How could he Sir, so openly give us this wrong Account of the matter? My News-Letter Printed by Authority, August 23. tells me, that upon Reading, &c. Ordered, *That the Projectors or Undertakers of any such Bank, do not proceed to Print the Scheme, or put the same on Publick Record, Make or Emit any of their Notes or Bills, until they have laid their Proposals before the General Assembly of this Her Majesties Province, who are always ready to*

*Encourage and Countenance any Proposals, &c. I. A. Secr.* Which Order, as it was far from forbidding their proceeding any further in the Affair; as to the digesting their thoughts upon it, and filling up their Number, &c. but rather suppos'd they ought to wade through all the difficulties, and bring their Scheme to its perfection, that it might be fit to lay before the General Assembly; so was it, as I have been well informed, in every Article complied with, in Duty to the Government; and even to this day have neither Printed their Scheme, Put it on Publick Record, Made, nor Emitted any of their Notes or Bills; so that really Sir, what has been done by the Projectors, won't bear so much, as a, *notwithstanding*, much less, a, *loth to say in contempt*. Indeed, I have heard it whispered, that they have thought the Order very hard, in that they were denied the benefit of the Press, and the benefit of Publick Records, [7] which I shall leave: And now Sir, after so plain, and publicly known, a false Comment, upon the Order of the Governour and Council, and the Actions of the projectors in the very Entrance of the Letter; what can be lookt for, but Arguments of the same Kidney thro' the whole: And I Confess when I had Read the Letter out, I should verily have thought it had been Calculated to Lull the Government into a profound Sleep, if I had not remembred that he said page 5. *his design was to Awaken it*; so easily do we mistake things till we are informed better. But not to give you or my self any further trouble about the design of it, believing it is not laid so deep, but your penetration without being put to the Wreck will fathom it. I Return to the first Enquiry, since 'tis agreed there is a necessity of a certain number of Bills of Credit, or Notes to be Emitted, as a Medium in Trade, *viz.*

*Who shall Emit these Bills?* Had the Government of the Country best take it on themselves? or would it not be safer to permit particular Persons in Partnership to Issue out, and give a Currency to their own Notes, founded on their Lands, under the name of a Bank of Credit? This is the main Enquiry which now falls under every Bodies Examination, and becomes the debate of the Town this Winter Season; and that I may give you my thoughts upon it freely, I say [8] with all due Deference to Government, by all means let the Government Notes, Emitted to pay the Publick Dues, and called in by Taxes granted as a Fund for them, have all possible Honour and Credit amongst us; and if in their great wisdom they should see meet to make it a Publick Charge, to Emit a certain number of their Notes in Erecting a Bridge over *Charles-River*, and make it a Toll Bridge, with suitable Allowances to the Colledge at present; and suppose that *Forty Thousand Pounds* were Issued out to make it a substantial and firm Bridge; and that a Toll upon every thing passing and carried over, should be a Fund to Call them in gradually; and after that it had cleared it self, it should be taken off from Passengers, and left only for Carts, Horses, &c. And the Colledge have the Income for ever, or any such Publick Charge, as Fortifying the principal Town by Sea, Erecting Stone Fortifications or Garrisons on the Frontiers, or Erecting Light Houses, for the Security of Trade; and the Re-settling the *Eastern* Parts of the Country in a Defensible manner, in giving a Bounty for the encouraging the Sowing, water-rotting, and well curing of Hemp; the encouraging them that should make the best pieces of Hollands-Duck: Which two Articles alone, it is thought might so effect the ballance of our Trade, as to bring us in

Silver Money; especially if a Reward of *Three Pounds* [9] *per* Head were given for all Male White Servants, that shall be imported into this Province, and Bound out from the Age of Ten to Eighteen Years; the Reward to continue the Term of Twenty Years; and this would furnish us with Sailors, with Labourers in Husbandry & Fishery, & Soldiers for our Defence, whose Polls in a few years would pay it in: And whereas now they are Sold for a Term of years, for *Fifteen* and *Twenty pounds* a Head; such a certain Reward would induce men to bring in such Numbers, that they would be Sold for *Five Pounds*, as they are in *Pensilvania* and other Places, where such certain Encouragements have been given. The Debts Contracted by these Emissions would be the real Credit of the Country, both Serviceable and Honourable, the Strength, Support, & External Glory of a Country; and whereas the Trade wants a Medium to Circulate it, there would be no necessity of Laying heavy Taxes, & the Funds might be carried forwards as the Government would see cause; for I believe by this time most men of thought may see, that since Paper Notes are our only Medium, that Day we are out of Debt, we are out of Credit, and must unavoidably sink, unless there should be found out some other way to save us from Ruin. So the Question comes the fairer in view, *Whether is the better of the Two, a Publick or a Private Bank?*

[10] I shall therefore in the next Place, give you those Reasons that are of weight with me against a Publick Bank, and Rescue the Private from the Authors Objections: For these Reasons may not the Publick Bank be Objected against? May there not be a danger if the Publick should go on to Emit Bills on Interest, that it will be too great an



Invasion of the Prerogative of the Crown : For I am apt to think every body will grant, that the Stamping of Money is a Royalty invested in the Crown ; and I am prone to imagine, that Bills Emitt'd by Publick Authority to Lend at Interest, will carry with them many signatures of Money ; especially since the Act of this Province makes them a Legal Tender, so far as no man may be Imprison'd for Debt that Tenders them ; especially if we Consider the difference in the Emission of these Bank Bills, that they are not paid out of the Treasury, as the Notes Obligatory of the Government to those they were Indebted unto, with the Publick Faith, plighted to Call them in by Taxes ; and so tho' they are of the same Tenour, yet the manner of the Emission, with that Law cited, gives them the character of real Money ; for I cannot perswade my self to say with Mr. *Attorney*, that nothing can be Money properly, but Silver and Gold, because that both Copper & Brass have had the Royal Stamp, and Copper passes in small Payments, as other Money in [11] *Great Britain* at this day ; and I have also heard, that Leather was once the current Coin of *Rome* : And I am very much inclined to think, if the Crown of *England* saw cause, they could make Paper Bills, so stamped, as properly Money, as any Money whatsoever. Now is there not ground to fear, when the Sovereign has been pleased to indulge us with the Priviledges of Emitting Publick Notes for the defraying the necessary Charge in the Defence and Support of the Government, and to Confine us to those Occasions in the Taxes and Assessments allowed to be made on the Inhabitants ; would it not be looked on as an Incroachment in very deed on the Royal Prerogative for us to exceed, and what the Consequence of that will be, you are a much

better Judge than I am ; (and I have been informed that the Gentlemen concerned, have had Letters from their Friends at Home, advising that by no means the Government would be Concerned in such a Fund) but if it should not in all the signatures of Money be a direct Invasion of the Prerogative, on the account of its being really Money, yet would it not be a going beyond our Last? and a doing what we had no power or warrant for; for I look upon it a weak & foolish plea, some peoples mouths are filled with, *viz.* That we ought not to debate about the Power of the Government that it tends to weaken us, and that there are [12] enough that do that, and the like. I think the way to have our Powers rendred strong & durable, would be to Consider what they are, and use them, and not go to the brink, or one hairs breadth beyond them: And truly I fear there is some design in raising all this smother, to blindfold us, and lead us whence we cannot so easily return. I take it that our Charter sets us the bounds of our Power, and tells us how far we may go, and all without that is forbidden ground; now it is plain thing, that the Governments Emitting Bills of Publick Credit on Interest, is not to be found, neither granted or warranted by the Charter, the boundaries thereof are *Assessments and Taxes, in the necessary defence and support of the Government, and the protection and preservation of the Inhabitants there.* . . . Mr. Attorney has given it us, page 29. He was so well apprized of this Objection, that he lays out his strength to remove it; tho' I think he has not been able to make it stir one inch. He tells us, *there is nothing in the Charter repugnant to the Governments Issuing a further supply of Bills,* page 29. It is very true upon the Foot or Fund of Assessments, as they have been hitherto

Emitted, for Paying the Debts, and Defraying the necessary Charges of the Province; but once for all, the Charter may well be allow'd to be repugnant to all that is not fairly Contained in it. He says secondly, *That it has [13] been done once and again, on great Occasions, and the Government not blamed for it.* The Government has Emitted their Bills to pay their Debts, but never to Lend at Interest, before his Letter was written, which is the matter in Controversy. The Bills the Merchants Lent to the Treasury, and the Treasury in Return Lent the Merchants by Order of Government on that great Emergency, were for the paying Her Majesties Soldiers, and would not have been Emitted, but in such an Extraordinary Case, and upon that bottom, so that it can never be made the president to Lett out Bills at Interest: and then he would perswade us (not himself) that the words the necessary Support of the Government, protection and preservation of the People, will allow it, and so forsooth with an (if) it is *Ecce*, then it comes within the Charter; and I am verily perswaded (if) he were of Council against us, he would with all imaginable Justice declare, as every reasonable man else (especially a Gentleman of the Law) would, that the evident meaning of these words are, the Charges of the Government and the War, even all such Charge as the Inhabitants shall be Assessed and Taxed for, and that they have not the least aspect upon a Fund for Trade, or the supplying the People with a Medium of Exchange, & there-[14]fore his thrusting the word, Government, and into a Parenthesis, *as to their Trade and Business* into the Sentence at page 30. is as arrant a piece of Sophistry as can be, akin to his fore-mentioned Arguments, and what I told you at first you must look for; I readily grant the General Court

here must be Judges of their own Power; and there is no Doubt but that it is possible also they may have been, by this Letter under the Attorney Generals Hand, induced to believe that they have more than really they have. I am informed, that in *May Sessions*, the Sufferers by the late dreadful Fire applied to them for Relief to Lend them Money on their Lands, they did not apprehend it in their prudent Power so to do; & some of as good Council as any in this Province, have declared it as their Opinion, that the Country had not the Power to form themselves into a Publick Bank, and Emit Money at Interest, and how the Wisdom of the General Assembly came to be of that side, I can not say whether it is hard or easy to guess.

I cannot help reciting the words of the Charter here: We do, &c. *Give, Grant, &c. To Make, Ordain, and Establish all manner of Wholesome and Reasonable Orders, Laws, Statutes, and Ordinances, Directions and Instructions, either with Penalties or without, so as the same be not repugnant or contrary to the Laws of [15] this our Realm of England, as they shall judge to be for the Good and Welfare of our said Province or Territory . . . . And for the Welfare, Support, and Defence of the Government thereof.* And a little after this General Clause, comes the Power of Imposing Taxes. *To Impose and Levy proportionable and reasonable Assessments, Rates and Taxes upon the Estates, and Persons, of all, and every the Proprietors, or inhabitants of our said Province, or Territory to be Issued and Disposed of by Warrant, under the Hand of the Governour of our said Province, for the time being, with the Advice and Consent of the Council, for our Service in the necessary Defence and Support of our Government, of our said Province or Territory.*

Upon which, and the Publicks Emitting Bills of Publick Credit upon Interest, we may make a few Remarks, for the Investigating of Truth, so much embarrassed by the Letter.

1. In the first place then, I would Remark, That by the Charter we have a Power to impose reasonable Taxes, to be disposed of by Warrant under the Hand of the Governour, with Consent of the Council for Defence and support of the Government, &c. This being our Power and Limitation, no Act of ours can alter the Power of Disposing: for the following words according to such Acts, can be understood I presume, no otherwise than for the Uses Raised, yet no ways alters the foregoing Clause of the Governours and Councils Power of Judging & Disposing of it.

2. That the Clause for Imposing and Levying [16] Taxes coming after the General Power of Making Laws in the Charter; can be I think understood in no other sense than a Limitation of the foregoing Power, and the path of our Duty, in that of Taxing the People.

3. That the Credit of every Freeholder is as much his Property as his Lands. Suppose a man gives his Obligatory Bill or Note to pay an *Hundred Pounds* on Demand, or to take again in Payments tho' he does it to serve a Friend in Distress, yet so passing his Bill in his own Name, becomes the principal Debtor, and the Possessor can look for no other, though the Person takes private Security for himself.

If the General Court Emit Bills Obligatory upon the Province, whether they are not bound in Justice and Honour to make them good as much as private men; and whether it is not creating a Debt upon the Province for such Sums as shall be so Emitted, which they must make good to the Pos-

essor, which is a burden, and may be called a Tax with a Witness. Now it may well be Quæried, How far a Representative Body or Free State has a power over, & a right in the Credit, and the Properties of the Principals they represent? Whether a free People submit their Estates any further to their Deputies, than to pay the Proportion of the Charge that arises for their mutual support and Defence? Whether it would not be entring in such a State on the Properties of every particular Person, who is Lord of his Penny, and [17] only has a right of Disposing of his own. It is true, that the Representative Body are said to be the Keepers of the Peoples Purse; but that can be understood by any Freeman I believe in no other sence, than for what it is, or should be a common Charge; and to state the proportion, if it is questionable, in a free State: May it not be much more so in a depending Government, whose Powers are Limited by Pattents, and are accountable for Usurped Powers; but some say the Province runs no risque, for they are to have the Profits, which are four & an half *per Cent.* for all Emitted, which will pay all the Charge of the Government, and the People be set free in their Taxes, and that they may gain a Stock in the Treasury . . . . A Golden Bait. As for the Risque the Province runs in the Principal and Interest, it is not yet determined; it is judged by some, and those not the most unthinking, that it is great; in that the Security taken by the Trustees if it comes to be sued out, would be claimed for the Crown; for in our Charter we have not, as *Sir Ferdinando Gorges* had in his, the grant of that priviledge of the Forfeitures and Reversions of Lands; besides the Collusion that may be introduced, by suffering Lands to be forfeited and redeemed at half price; that as to

the Profits and Income which is for His Majesties Service in the Support of the Government, it being a Revenue to the [18] Crown; how natural does it ly instead of a Salary for a Governour to ask at Home, in a Line or two of Instructions for himself and all his Officers, as *Lieutenant Governour, Secretary, Judges, Attorney General, Captain of the Castle, Surveyor General, &c* which is not I hope the end intended, or the most grateful: Other difficulties referring to the Borrower, not proper to be mentioned may arise; the Crown will not want Occasions of Disposing of their Revenues, which may seem on due reflection to over-balance the gains proposed: May it not be thought an hazard, if they should go on to Emit greater Sums on such a foundation, that the Crown may be invited to take away the Charter, and that for the sake of the Money Emittted as forfeited? And may not the Confusion be better thought on than expressed on such an event? May not the old Maxim be of use to us here? that in doubtful Cases the negative is the safer. I am in duty bound, to suppose what has been done, was thought necessary by the Government in their distress; unto whom I am sensible we owe all possible deference and respect; and I assure you, none is more ready to pay it than I am; yet in such a weighty case, truth stands the clearer in view, on a free, modest and rational enquiry: And since the Interest arising from those Bills they say will be for the support of the Government, if they will take the Attorney Gene-[19]ral's Opinion; he has given it, page 28. *That this Government neither can, nor ought to be maintained in any other Method, than by the Charter, and Instructions from the Crown,* and I presume this method is neither. And to Conclude this Argument, we have heard Sir, of Informations in the nature

of *Quo Warranto's*; and this very Country has felt the weight of one, and upon the very score of Invading the Prerogative in the Article of Money, and doing what was said we had no warrant from Charter to do; and certainly no Lover of this Country can wish them to take such methods as may be tho't to put it in any hazard of a second *Quo warranto*; no, none but such as have not scope enough already to get Money, &c. extending Law Suits, to the enriching none but themselves. I assure you Sir, I am the plainer on these Heads, in that I value the Liberties of my Country so dearly, as never to esteem such its best Friends, that are willing to part with them; and yet does not the disputableness of this Power, if we should go on in such a method, shew that at least we run the risque of a second; which if it should take place, would not the country (and with just cause) cry out, Ah! why did the Government hearken to Mr. *Attorney's* Letter? Ah! Mr. *Attorney*, why did you so amuse and silyly argue them into it? And by the way, the very notion of a second *Quo warranto*, confirms what I ground much of this [20] Argument upon, *viz.* that what is not within the grant of the Charter, is forbidden to us, and to be avoided. If after all that has been said to the Power and Safety of the Publicks going on to Emit Bills Obligatory on the Country, which is making the Country Principal Debtor, and to Let 'em out on Land Security, where is the Limitation of the Power? the Gentleman would do well to explain it; if the paying the Publick Charge and its Defence be not the boundaries and limitation, why may they not Emit *Five Hundred Thousand Pounds* as a Fund of Trade, & appoint Factors for the Government, that they may have the Profit? the difference seems only to be in the



prudence, not in the power; how safe then is it Living in a Community where the Estates may be charged to answer more than the value upon such Projects, does not such a Power render mens properties in their Estates very precarious? especially since it is hinted, that the Representatives may be kept by the Charter as long as a Prince lives; we may open a door wide enough for the getting Estates; it is but dividing a number of Bills amongst themselves, and call it for the support of the Government, according to that argument, and it is done. We have always looked upon it, That an empty Treasury is very much our Security; This Government thought it so when they appointed a Committee to burn the Pub[<sup>21</sup>]lick Bills that were returned into the Treasury during the recess of the General Court; and prevents many fine Schemes of Arbitrary Power; a full Treasury by a stated Revenue has the contrary consequences, and may soon involve the poor people into unknown mischiefs. No says the Letter, page 28. *The principal Profits of that Money, according to the Scheme agreed on, reported by the Committee, were so settled and secured, that nothing less than the General Assembly could dispose of either.* This is his main Argument against the Objection to the Supply, &c. The Governour and Council has the draught of all Moneys that are Raised by the Government according to the Charter, as I observed before; and should the Publick Emit a large Sum as is necessary for a Publick Bank, the Income thereof would be inviting, and I doubt not of the ways being presently found to it, for a Law contrary to the Charter being void of it self, would be no boundary; and supposing it were not so, is not the Governour an essential part of the Constitution, and is not his

Council necessary? Has he it not then in his power to come to terms for his own allowances? Will there be any room left for Contests about settling Salaries? Will it not be done to hand? I beseech you Sir, to Consider when this *Pandora's Box* shall be once opened, what unforeseen accidents, what irreparable mischiefs, confusion and misery would [22] this whole People be in? This is true, if we may take what the Author of the Letter says, they intend to give the Government *Two Thousand Pounds* a year. I cannot tell whether they were to fence out to make such an offer; *if they mean a Governour by Government, it would be an effectual method to Enslave this Country* says the Letter. Indeed I never knew that Governour and Government, were one and the same word; yet it is Observable, that the Author of the Letter makes them so. If the General Assembly says the Author of the Letter, *then they neither can, nor ought, &c.* Yet I believe all Government have Liberty to accept of Donations; but be it so that they cannot, then neither can the Government be supported by the Profits of the Publick Bank, for this is not in the Charter; and if the Authors Arguments were good, that the Publick could not make use of it, the Governour as he assures us, will be sole Heir of it: and then what will the gain of the Country be? Whilst I retort this Argument, I had almost forgot the Clause in *Hudibras*, that, *no man turns the Case upon his own Concerns*. What would become of the Fund, if the Crown should forbid it? Will not the Confusion be great on the Borrowers? *Justinian* was of Opinion, that nothing could be a Law that was not just. The Gentleman who should [23] promote such an one, surely would have no thanks from them they represent, when they come to feel the ill effects of it; but I hope no

such thing will take place. Thus Sir, I have given you some of the thoughts of the Town, and the Reasons in particular, that sway with me against a Publick Bank. The Reasons why I prefer a Private Bank, are such as these.

1. That there will be no Invasion of the Prerogative; for every body as well as Mr. *Attorney* will readily acknowledge that, *they are not Money*, page 11. And they may have the face and signature of Money, as much as the Bank Bills of *England*, that is none at all; for they carry nothing of Authority with them, but are only Notes on the Bank, passing from one to another, for so much value as is expressed in them; which value being deposited in the Bank, either in Lands or other imperishable Estate as the Original Fund, and the Obligation of the several Partners, to take 'em in all Payments, except Specialties, under a great penalty, gives Credit to the several Bills or Notes issued from the Bank.

2. Nor will a Private Bank open a door of Arbitrary Power to invade the Liberties of the People, by a Governours handling at his own pleasure such Sums as he has occasion to make use of, to promote his own ends.

3. Nor is there any infringement of the Liberty of the People, there is no Tax requisite to [24] make good the fall of the Bank, no Publick Warrantee to secure it, but only the Estates of such Gentlemen as are willing of their own accord to Mortgage 'm; that by the Security given, and their mutual agreement, their Notes should have a Currency, that they might serve the Country, and themselves in promoting the Trade of it; so that if the Bank be suppressed, it would hazard only their particular Estates.

4. It may be Carried on as other Merchant-like Affairs, by Factors or Trustees, without offence to the Crown, or Gov-

ernment; This being the head of Argument that bears the Countenance of reasoning in Mr. *Attorneys* Letter, which I shall Remark: I take it for granted, that it is the Natural Right of *English* to Trade, and to carry it on in such Methods, as they shall conceive to be most advantageous to them; and that in order thereto, they have a right to take one anothers Word, Note or Bond, as the Case may require, with due regard had to Justice, and the power of the Legislature, to enlarge and limit this Trade, as shall be tho't most suitable to the Honour of the Crown, & the Publick Weal: It is in the liberty of any in Trade, to enter into a Covenant, to take one anothers Notes, and that they might be better known, they may agree upon some persons to form those Notes under their hands for them; & on their making over such Security as there [25] is required, for their mutual safety, for such Sums as they shall emit or take, and may agree to pay such an Interest as may support the Charge, and Lend of their Credit to others for their benefit, since there is no Statute Law broken, & nothing contrary to the Common Law; so that the difference between us is not, Whether the Government cannot crush such a Partnership, for no body denies that? but whether such an Affair may be carried on in a Company, without being Incorporated, without being a breach on the Prerogative of the Crown? Thus the Private Bankers in *Lumbard-street* Emit their Notes, and that on Interest too without being tho't so; Our Fathers about Twenty eight years ago, entred into a Partnership to Circulate their Notes founded on Land Security, stamped on Paper, as our Province Bills, which gave no offence to the Government then, and that at a time, when the Prerogative of the Crown was extended further than ever has

been since ; What Mr. *Attorney* says of the Bank of *England*, that they obtained an Act of Parliament for their Support is true, yet proves nothing to his purpose ; for altho' a Company can manage their Affairs better, and in a shorter method, for their mutual Security by a Patten or Charter of Incorporation, and with the greater Security by an Act of Parliament as the Bank of *England*, by the loan of *One Million Two Hundred Thousand Pounds* to the Nati-[26]on obtained, yet it proves nothing that such Companies were any breach on the Prerogative ; the Act of the Sixth of Queen *Anne*, quoted by the Author of the Letter, viz. *That during the Continuance of the Bank of England, it shall not be lawful for any Body Politick or Corporation, or other than the said Company of the Bank, or for other Partners exceeding six in England, to borrow or owe any Sum or Bills, or Note Payable on demand, or at any time less than six months from the borrowing thereof ;* is so far from proving against the Partnership, that strong Arguments may be drawn from it, of its Lawfulness : As,

1. It appears plain, that the Limitation of the Act is to *England*, and that during the Continuance of the Bank ; and so is of no force in the Plantations or *Ireland*.

2. That it is lawful now for the number of six.

3. It implies that they might do it, before this Act was made in favour of the Bank of *England*, and consequently lawful for us, where that Act never was in force, which is what we Contend for.

4. It implies that the Law of *England* does not look on every number of Partners to be a Corporation purely for their being Partners ; and Mr. *Attorney* quoting my Lord *Cook's* description of a Corporation, and his applying it to

the Gentlemen concerned in the Projection, is nothing but an amusement, and deserves no Answer, in that none of the Essentials to such a Body was pretended to by them: for a Pattent from the Crown, which gives the Form and Being to a Corporation, was but hoped for.

[27] But what I would Remark with the greatest Complacency, is the applying this Law to us in *New-England*; for he tells us, page 12. *If the same fact committed in England, by a Number not exceeding six would be a breach of Law, much more may we suppose it forbidden, and made unlawful for a hundred to do it here.* A nice way of Arguing, that concludes strongly, and deserves thanks for the new Invention: Because Gunning upon *Boston Neck* is forbidden by a Law, therefore in every town of the Country, I am apt to think that any man that is able to carry a Gun, may see the folly of such an argument: Truly it gives me a merry turn of thought to entertain the Idea, how Mr. *Attorney* would crow to hear his Antagonist at the Bar plead a desperate Cause with such a mighty dint of argument as this; 'tis well he did not proceed, to give himself any further trouble to argue with the same velocity and strength, how far the Projection would be a breach on the Constitution of the Bank of *England*; for we are not able to stand before the whiz - - - But did the Author of the Letter, who quoted the Law, in very deed believe it possible that it should have any influence so far over the Water? I wonder then how it consisted with his Consciencious regard to it, to advise the Publick to Erect a Publick Bank of Credit! for I would put it to his Conscience, whether this Law is not as point blank [28] levelled at the Corporation, (which the Government is) in case they should have the thoughts of doing any such

thing as private Partners, and whether it is not as possible for the Government to Set up & Establish things contrary to the Laws of *England* as for private Persons? and whether the offence would not be as great; and because I do not know but that the Supream Authority may see cause to crush any Bank set up here, I will add, that there is no reasonable man, nor man of Law, nor man acquainted with the nature of Government dare say, that it will be of equal pernicious consequence, for private Persons to set up, as for the Publick; for no act of private Persons can forfeit our Charter; it must be a Public Act to do that; all the mischief of the Private's being condemned, would be that the Bank would fall, and that the Bankers must make good their Notes; but if the Publick Bank should be set up and Condemned, by that means we should be endangered in our Charter: And I am afraid there are some men in the world that would gladly lay hold of the first opportunity to deprive us of it - - - The Tendency of a Publick Bank, as have been proposed, is to Unite the Power of the Country and the Cash together, which all wise people have endeavoured to keep asunder, in order to preserve their Liberties; it tends to bring all the People into a dependency up-[29]on the Court Interest; and consequently to render them Abject and Servile, which I think no Lover of his Country should promote: As it is proposed at present, it tends no way to help the Landed Interest in the stocking and improving their Lands, but only serves to remove the evil day a little, very little further off, and then runs them into greater distress. On the contrary, the Projection for a Private Fund of Credit, which since I began this Letter, I hear is coming out in Print, that all may judge of it, and no doubt will be

acceptable to the Country; is so well founded and secured, that were they permitted to proceed and Emit their Notes, would furnish us with a Medium of Exchange; the Landed man might either be Concerned in the Foundation, or might borrow Credit without any fear of a sudden or surprizing demand, to the prejudice of his Affairs, might Stock his Farm, and be able to lessen his Principal, as his Product would enable him; it would be a certain resort for men to borrow Credit on any Emergency; it gives the Industrious an opportunity of improving their Lands to greater advantage, which would increase the Export of the Country; it could hurt none but the envious, who will do no good themselves, and yet are grieved at what their Neighbour does. The Pub-[30]lick Charities are not inconsiderable, that are Established in it; in a word, without it, we cannot so comfortably enjoy the Outward Blessings that Heaven has indulged us with. With it we may enjoy all the Conveniencies of a Plentiful Cash, without running the risk of being a Prey to an invading Foe; and in that as well as in every other respect would answer our Occasions as the Mines of *Peru* or *Potosi*: But I think I hear you in the Country say, they will not pay our Rates, and therefore will not answer our ends. In answer to which I would say, that the Bills of Credit of the other Provinces do not pay our Rates, yet have a general Currency amongst you; that the Gentlemen concern'd to promote the Projection say, that whilst there is any of the Province Bills stirring, they would change them *gratis*, when they should grow scarce that the People could not obtain them; there is no doubt, but that the Government would Order the Treasurer to take what would answer their Occasions, that would pay the Souldiers and the other



Officers of the Government, and the other Charges; then they would not have the occasion to be at the Charge nor Risque of making Bills of Credit if they saw good; it would revive the Trade of the Province, and enable them to pay their Debts; for as things are now, they cannot make Money but with a small part of their produce, they are forced [31] to Truck them away, so that some are not able, and others take the opportunity to defraud the Country Trader, and he of Consequence is not able to pay the Merchant in *Boston*, to the great Damage of the whole Country, as well as a Discredit to our Trade; for the badness of the Pay for want of a Medium, obliges the Merchant to make a great Advance on the Sale of his Goods, that they are as dear now as in the heighth of War; the Country in Course ask dear for their Produce, which occasions a great Loss in Returns, and the Dearnness of both affects the Tradesman, and makes him ask dear for his Labour, without which he is not able to Live; so that as the state of our Commerce is now, every thing tends to drive away the Trade from us to our Neighbours: The Fishery will fail, because they have no Money for it, and all Industry is very much cramp't; in that when men have Laboured, they are obliged to go to a Shop for Goods for their Pay, which often invites, if not necessitates 'em to spend more than they want of *English* Goods, to the hurt of their Families; and by that means brings us more in Debt to *England*; all which would be remedied by the Establishing the Land Bank: And whereas the Gentlemen are applying Home for a Charter from the King to Incorporate them, that they may be the better enabled to secure the Foundation and the Credit of the Bills: I wish them [32] good success, and doubt not the whole Country, (when they

have a clear view of their best Interest) will say, *Amen*---- And whereas some of you in the Country object, that if such a Company goes forward, they will have all the Lands in the Country: In answer to which Objection, it would be worth while to Consider the Scheme how it is guarded, and it will easily be apprehended that the Charge is groundless; for the Lands will be taken in at little more than half the value, and whilst the Borrower pays his Interest Money, the Bank will never trouble him; if he neglects that, he will stand a year longer before he can be Sued for it; and no man will let his Land go at half the value; his Neighbour will sooner buy it of him than let it go at so low a rate; but if the Bank recovers it, they must Sell it, for they have not asked leave to purchase Lands; then there is three years right of Redemption left to the Owner: if the Land sells for more, the Bank returns the Overplus, which I think sufficiently takes off the weight of that Objection: Besides, as it is proposed by the Publick, there will be but few Borrowers, but what are in distress to put it off the further, because they are sure of being straitened at the expiration of the five years to pay it in; yet in this Projection, every Partner is obliged [33] to take out a quarter part of what he Subscribes, to bring out a Medium of Exchange: But I shall tire your patience in enlarging on the pleasant Subject, in which we have a prospect of relief under the present and growing distress: I shall make a few more transient Remarks and Close. The letter says, page 15. *That the several Laws of this Province respecting Money, or the Interest, are broke in upon by the Projection*: It is so far from being so, that it directly has a contrary view; the Act of the Fifth of *William and Mary* about the Interest of Money is broke in

upon, because we fix the Interest at less than six *per Cent.* when the preamble of the Act says, for as much as the abatement of Interest has always been found beneficial to the Advancement of Trade, and the Improvement of Lands by good Husbandry; which is the very thing we have consulted. I have with care examined all the Laws of this Province, relating to Money or Bills of Credit, and the several Acts of Parliament quoted in the Letter too many to be recited, and cannot for my life imagine that any Lawyer besides Mr. *Attorney* could find that they were invalidated, or in the least broke in upon by this Projection; and now that any person acting as he apprehended in his Office as Attorney General should insinuate to the Government, and publish to the World in Print, that they have [34] been all broke in upon is very strange and unaccountable: His Insinuation, page 18. *That the Bills being but pieces of Paper have no other value than what the Borrower gives 'em,* is a very ungrounded (I am loth to say false) Assertion, in that they are Notes Issued out under the Hands of them that are abundantly sufficient to make them good, and who were obliged not only to that, but under a *Fifty Pound* Penalty to take them in all Payments, and the Borrower being at his liberty, must be bubbled indeed to take them out, if they would not answer his Occasions, in *page 19.* he asserts, that the Projectors are only obliged to accept of them for the redemption of Pawns and Mortgages; and supposes that the Possessor has neither, referring to the Tenour of the Bill: See his own recital of the Bill, *page 7.* Obliges, &c. to accept the same in all payments, according to Covenant made by us; (or rather see the true Form or Tenour of the Bill in the Scheme Printed) both which so manifestly

contradict his Assertion, and at first sight tended to mislead the Honourable House of Representatives in Matters of Fact, that it is unaccountable he should offer it. As for his gross Charge of Contempt of Government, I suppose the Gentlemen will vindicate themselves; I have heard say, they are sufficiently able, as well as obliged: his breviate of the Scheme, and his Tenour of the Bill being a [35] gross misrepresentation and his reflections made thereon, consequently ill grounded, I do not trouble you with a Confutation, they fall of themselves, *page 13.* He says, *That the General Assembly are under a necessity of enquiring into the Justice, Legality, the Safety, and Publick Advantage;* wherein I agree with the Author, and I believe the Gentlemen concerned, would have been glad if it had been duly weighed, and fully considered before they had been prohibited; and whereas no man has ever proved it to be, either unjust, illegal or unsafe, or not for the Publick Good; and the contrary I think, is sufficiently evident to any disinterested; the Gentlemen that they might proceed in their Affair without offence, (since he desires that it might be forbidden, until His Majesties Pleasure is known;) have agreed by a Humble Petition, to lay it before His Majesty, praying for a Charter of Incorporation, to enable them with the more security to Circulate their Notes founded on their Lands: The Author, *page 20. and 18.* seems Concerned about the Credit of the Bank Notes, and that for two Reasons; the lowness of the Interest, & the Foundation being Land and not Money, to answer the Notes: As for the Interest which is set at *Five per Cent*, it is what the Publick has seen reason to set theirs at, and therefore may be supposed their reason was good; the value of Money or Notes ne-[36]ver was founded on the Interest,

but what they would purchase of Land or Merchandizes ; the Interest is justly lower'd by the abundant Security required, which is considered in the nature of a Sum paid in hand by way of fine, as in the Leases of Lands to lower the Annual Rent. As for Land Foundation, the only measure of valuation we have left, and the best (in that Silver has altered four parts in five within this two hundred years, as is affirmed by good Authors) to found our Notes on, in that our Trade will be governed according to our produce either in our own growth, or what by our Industry we Import from others, to Export by way of Returns to *Great Britain*, which wholly takes off the common cry by way of amusement against it, that we are extravagant in our Consumptions, and Over-traded, which tho' they may be true in themselves, are nothing promoted by this, in that the Notes cannot be sent off. Mr. *Attorney* tells us, page 30 *that in what he has done, he had no private view, or separate Interest nor any prejudice to the Gentlemen concerned, among whom he has many particular Friends, but has sincerely aimed at the Publick Good.* I believe the Gentlemen concerned do not think he has treated 'em like Friends, who they say never came amongst them to reason about the Scheme; but in his Letter has drest them Alamode the *Spanish* Inquisition, with horrid pictures on their Design, that [37] they might be delivered over to the Secular Power, to be punished. And as for his design and separate Interest, being one that improves his Stock by Letting Money at Interest; if he had not told us so, we should have been apt to have believed the contrary, and may be worthy of a second view and Reflection by him, as well as the Portion of Sacred Writ, so much abused as to be set in the Frontispiece of his Letter, which

I shall take the freedom to repeat to his Consideration in the very words, *That better is a little with Righteousness, than great Revenues without Right.* And now Sir, I have given you a few of the many dark thoughts of the Town, relating to the Letter, and the Publick Bank Projected; as also some of their hopes of the Success of the Private. If what has been written may contribute to the setting Truth and the Interest of the Country in a clearer Light in your Parts, it will be sufficient Reward, and an entire Satisfaction,

New-England,  
Anno 1714.

To your Humble Servant,  
F - - - l. B - - - t.

NOTE TO "A LETTER FROM ONE IN BOSTON," ETC.

This pamphlet may be described as a 16mo of thirty-seven pages. It is to be found in several of our libraries.<sup>1</sup> I have examined three copies and in all of them have found the following corrections to the text made in writing: On page 21 of the pamphlet, the word "Council" in the eighth line, in the original pagination, from the bottom, being the sixtieth word from the bottom, is changed to "consent." On page 22, in the fifth line from the top, the expression "to fence" occurs; this is changed to "not once." The word "Gentleman" in the last line of the same page is altered to "Gentlemen." On page 24 "the Natural Right of *English* to Trade" is made to read "*English Men.*" The fact that these corrections are made in each of these copies would indicate that they were made before the pamphlet was put upon sale.

The copy of the pamphlet and the facsimile of the title-page were originally procured for "Tracts relating to the Currency," etc., through the courtesy of the Massachusetts Historical Society.

The anonymity of the pamphlet is well preserved under the suggestion of a clue to the name of the writer given in the letters F - - - l

<sup>1</sup> Boston Public Library, Massachusetts Historical Society, Boston Athenæum, American Antiquarian Society.

B - - - t at the end. Although this indication of the name of the author is apparently sincere, no name which responds to its demands has as yet been found.

The pamphlet purports to have been written in Boston in response to a request from Speaker Burrill, and the copy before me has "Boston" written over "New-England" in the date.

It will be observed that it bears no other date than the year. As an answer to Dudley's "Objections," etc., it necessarily follows that pamphlet in chronological sequence. That both of these should precede the "Projection" does not at first seem natural, and in the arrangement of the pamphlets in "Tracts relating to the Currency" I placed the "Projection" before Dudley's pamphlet attacking it. If we examine the dates of the two we find the "Objections" dated October 22; the "Projection" October 30. Dudley's knowledge of the details of the project did not come from his having possession of a printed copy of the scheme for a bank. Indeed his post-script shows that the document was still in process of formation while he was writing. Such knowledge as he possessed was easily attainable, since the meetings of the projectors were openly held in response to advertised calls in the News-Letter. The appeal was for public support and success depended on publicity.

The "Letter from One in Boston" was written before the "Projection" as finally perfected was furnished in printed form to the public. "Even to this day have neither Printed their Scheme," etc., says the writer on page 6. Strict regard for chronological sequence must therefore place the "Projection" after these two pamphlets which contain a discussion of its merits.





A  
VINDICATION  
OF THE  
BANK  
OF  
Credit

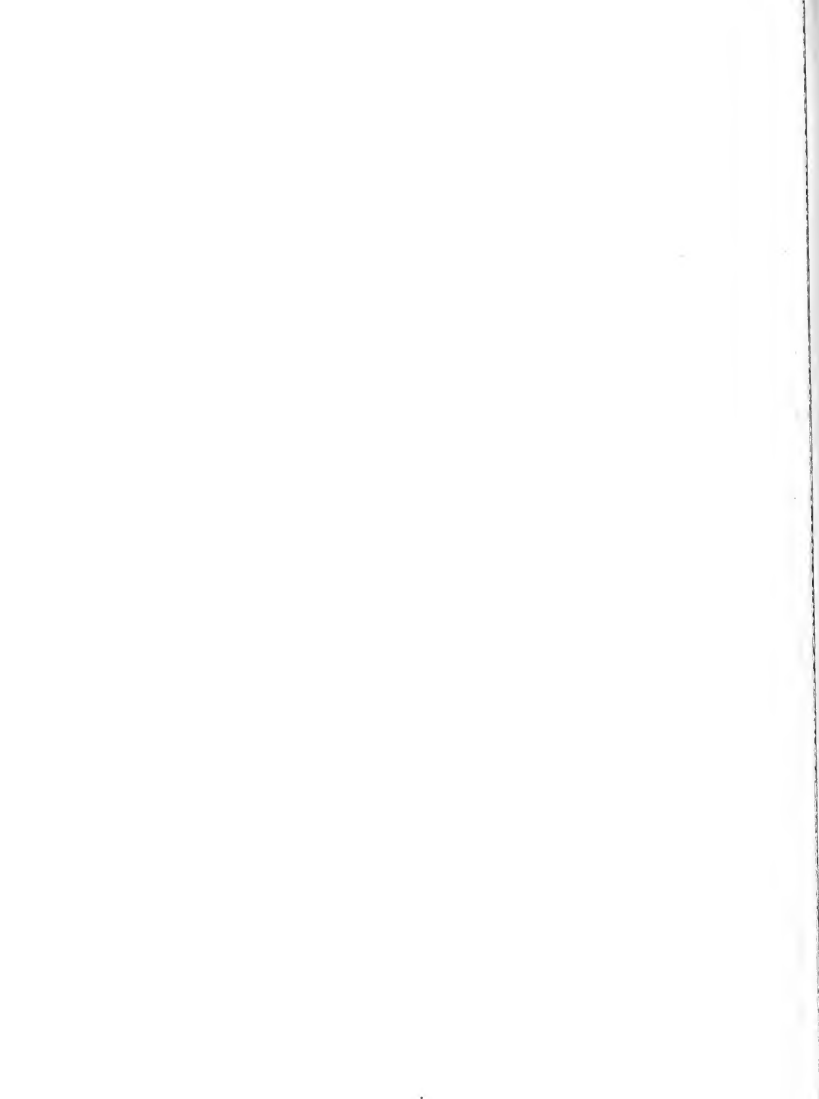
Projected in *Boston* from the Aspersions

OF  
Paul Dudley, *Esqr.*

IN A  
LETTER

By him directed to *John Burril Esqr.* Late  
Speaker to the House of Representa-  
tives for the Province of the *Massachu-*  
*setts-Bay* in *New-England.*

Printed in the Year 1714.



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[1]

A

VINDICATION

OF THE

Bank of Credit, &amp;c.

To *John Burril*, Esqr.

SIR.

**M**R. Attorney General, by his Letter of the Twenty Second of *October* last past to your Self, as Speaker to the House of Representatives for this Province, having most unaccountably, with an uncommon Freedom, taken upon him to Insult and Arraign a Considerable Company of Gentlemen Merchants, &c. (as he is pleased to stile them) Projectors of the Bank of Credit, and call them to the Bar of that Honourable House, Charging them with the many *High Crimes and Misdemeanours* following.

*First*, That they are openly carrying on their Bank with utmost Vigour and Expedition, in Contempt of an Order of Council; and indeed affirming, that the Government [2] have nothing to do with them in that Affair: And that they look upon themselves very Well and sufficient to carry it on without making any Application to the General Assembly. *Vide* page 3, 4.

*Secondly*, that their Bank is *Pandora's Box*, Page 4.

*Thirdly*, That their Projection is just Ripe for Execution, which will more or less affect, invalidate and break in upon the Prerogative of the Crown, several Acts of Parliament, the Constitution and Laws of this Province, the Estates and Liberties of the People; and that not only for the present, but succeeding Generations. *Page 4, 7, 15.*

*Fourthly*, That their Projection is a thing *Intolerable, Unreasonable and Unjust*, not founded in *Commutative Justice*, and *Common Honesty*; and must unavoidably prove a great Snare and Mischief to People that want Money to pay their Debts, and otherwise, for whose ease and advantage the Bank is Projected. *Page, 16, 17, 18.*

*Fifthly*, That the Business of the Projectors is in one day to be Masters of *One Hundred and Fifty Thousand Pounds*, without any Risque, or any other Charge or Trouble, than the Writing and Signing a few pieces of Paper, to Accept *Six Thousand Pounds* Interest *per Annum*; whereby they would immediately have the profits of other Mens Estates, and [3] finally the Estates themselves, without a valuable Consideration. *Page 17, 18.*

*Sixthly*, That their Projection will be in effect the setting up an *Absolute, Independent Government*, which like a Fire in the Bowels, will Burn up and Consume the whole Body. *Page 14.*

These Articles being Intermixed and Cloathed with so many Invective Sarcasms, Opprobrious Language and Undue Reflections, the Gentlemen Concerned hold themselves Obligated in Justice to themselves, and the Truth, and in Honour to your self; that you and every one else may be Undeceived, and that the whole Matter may be set in its true light, do Affirm and declare,

That two or three Gentlemen in the Town of *Boston*, discoursing of the Difficulties that Trade laboured under, for want of a Medium of Exchange, the Silver being sent Home for *England*, and the Bills of Credit on the several Provinces daily Called in by the Funds on which they were Emitted; thought it proper to consult some other Friends, and to Meet together, and Consider of a suitable Remedy for the present and growing Inconveniencies and Difficulties. At which time some were desired to Commit their thoughts to Writing, in order to be considered of at a Second Meeting, which was accordingly done; and after several Meetings, agreed on a Land Security, [4] as a Fund for Bills and Notes to be Circulated, and Minutes then drawn up, for the Regulating and Carrying on that Affair, but all with an intire dependence upon the Government for their Favour and Countenance in promoting it, and furnishing them with all such necessary Powers as might enable them to carry it on with safety to themselves, and the Possessors of their Bills or Notes. And therefore immediately they desired some of the Gentlemen to wait upon His Excellency the Governour for his Advice, Favour, Countenance and Direction in their Projection; who accordingly the very next Morning before they had taken a fair Copy of their Minutes, waited on His Excellency; so careful were they of paying all due Respects to Government, who were well Received by him, and Encouraged to proceed. And at the same time their Scheme being first laid before his Excellency; his thoughts were desired, whether it was practicable for the Publick to come into a Fund themselves, to which he was pleased to Answer, No, by no means; The Country is greatly Indebted already, and if such a thing were proposed, any

Landed Man might come into the General Court, and enter his Protest against it; Neither would it be safe for that a Governours Fingers could not be kept out of it. And there then being further discourse about the power of the Govern-[5]ment to Lend at Interest on the Publick Credit; He Replied, That what the Government could not do wisely, equitably and safely they could not do; and that the Method that they had Projected for Relief in that Affair, he well approved of; withal adding, that he would be the first Person that would take out *Three Hundred Pounds* of their Bills to promote their Credit, and encourage them to proceed to take Subscriptions, in order to lay it before the General Assembly for their Allowance; and that he would do all that lay in his power to promote it; assuring them that he would Write Home in their favour, by setting forth the Necessity of such a Projection: And directed them to wait upon Mr. Secretary *Addington* for his Advice, which they did, who was of Opinion that the Government would not Raise Money or Bills to Let out upon Loan. They then, and at sundry other times consulted him about their Scheme, committed it to him to peruse, correct, alter, amend and frame as he should think fit, which he accordingly did. Whereas if the Projectors had been discouraged in their so early Attempts, it might have prevented any further proceedings: And the said Scheme was laid before the General Court at their Sessions in *February* last past, together with a Petition, Subscribed by most of the Underta-[6]kers of that Affair, for the granting them such necessary Powers, as they should think meet to carry on the same.

Sir,

The foregoing being Matter of Fact, and the exact steps taken by the Gentlemen concerned in the Projection of the Bank. It cannot be so much as imagined, that the Author of the Letter, his Post and near Relation to the Governour Considered, should be ignorant thereof. However it fully proves that part of his Letter respecting their *Slight, Neglect and Contempt of the Authority and Government* to be a designed Misrepresentation, and therefore Abusive of the Gentlemen concerned; some of whom on several accounts are Superiour to him.

Now Sir, If you will please to Consider his Argument, whereby he would seem and pretend to prove his Charge of *Contempt*, &c. you will find it as Unfair and Fallacious as his *Charge*, which is that which 'you must needs have seen 'in the Publick News-Paper, or an Order of the Governour 'and Council passed upon the Occasion of the Projection 'of the Bank of Credit; whereby the Projectors were directed to proceed no further in that Affair, until the next 'Session of the General Assembly; that so the whole Government might be of Advice in a Matter of that weight 'and Consequence. Notwithstanding [7] all which, I am 'loth to say, in Contempt of it, the persons concerned are 'openly carrying on their Bank with utmost Vigour and 'Expedition, and supposing, and indeed affirming that the 'Government have nothing to do with them in that 'Affair.

Is not this a bold and wilful Misrepresentation of the Matter? Whenas the Order of Council, which the Government Ordered to be Printed in the Weekly News-Letter, is in the Words following.



At a Council Held at the Council-Chamber in *Boston*, upon Fryday the Twentieth of *August*, 1714.

UPON Reading a Memorial, Presented by the Queens Attorney General, setting forth that upon good Information, a certain Number of Gentlemen, and Merchants are Projecting a Bank of Credit as they call it, designing speedily to Make and Emit a quantity of Bills to a great Value; which is a Matter of Importance, and will necessarily be of General Influence.

Ordered, That the Projectors or Undertakers of any such Bank do not proceed to Print the said Scheme, or put the same on Publick Record, Make or Emit any of their Notes or Bills, until they have laid their Proposals before the General Assembly of this Her Majesties Province; who are always ready to Countenance [8] and Encourage any Proposals that may be of benefit and advantage for the Publick; or for the promoting and encouraging of Trade amongst Her Majesties Good Subjects of this Province; And that this order be Printed in the Weekly News-Letter.

Isaac Addington, Secr.

Now by what Words in this Order can Mr. Attorney support his Argument, to prove the Projectors *Contempt and Insinuated Disobedience*, which as it did not forbid their proceeding any further in that Affair, but rather encourage and direct them to compleat their Subscriptions, and perfect their Scheme, so as it might be fit to lay before the General Assembly; so was it punctually complied with, in that the Projectors neither Printed their Scheme, or put the same upon Publick Record, Made, or Emitted any of their Notes or Bills; but reconsidered and New-Modelled their Scheme,

and took many more Subscriptions, and so far perfected it, as to lay it before the General Assembly, which they did at their last *October* Sessions; hoping for their Countenance and Authority, for that because a certain number of the Gentlemen concerned were appointed to attend his Excellency with the present Scheme, which they carried to him on the Morning of the Day they presented another of the same to the House of Representatives, who then freely declared, that he would fa-[9]vour the Design, if the House of Representatives and Council would come into it, and that the Publicks Raising of Bills to Let out, to him had its dark sides; for that if any Person should borrow of the Publick Bills, and Mortgage his Estate for payment and fail of making payment, whereby the Estate so Mortgaged should become forfeit, the Estate so forfeited would belong to the Crown; and if he were their Governour, he should think himself obliged to lay his Hands upon it, till the Kings Pleasure could be had, who would have the intire disposition thereof.

And now after so fair a Gloss and false Comment upon the Order of the Governour and Council, and the Actions of the Projectors in Conformity thereto in the very beginning of the Letter; what can be expected but the like Arguments throughout. And indeed here you may see *Ex Ungue Leonem*. Is not this too much like prevaricating talk in a bad Cause. Wherefore it is now to be Noted, that notwithstanding the Gentlemen concerned, had made several Alterations in their Projection obliging every one that Subscribed thereto, to give good real Security, to the full value of their several Subscriptions, to Lie as a Fund or Security, to answer all the Notes or Bills Issued from the Bank; and

to make good all Deficiencies, whereby the Possessors or Borrowers of the Bills or Notes were in no [10] danger of being wronged, with some other Amendments: The want of which Security in the first Projection, is one of the most popular Arguments Mr. *Attorney* hath made use of to cry down the same. Now he being well Informed of these Alterations before he Published; Nay, before he delivered and sent his Letter to you, whereby he certainly knew his short Abstract of the Projection, and his Form of the Bills, with his Addition of an Escutcheon, and consequently all the fine Structure he builds thereon, to be but upon a sandy Foundation; tho' he would have the Honourable House of Representatives believe it.

And then he does in effect tell you, that the Projectors of the Bank have of their own heads formed themselves into a Company, by a *Constitution* of their own making, and Erecting of themselves into a *Body Politick and Corporate to all Intents and Purposes in the Law*; and then calls in the Prerogative and the Honour of the Government to his Aid and Assistance. It's true, they have by a Constitution of their own making, formed themselves into a Company and Co-partnership, and that they take for granted they well might do without the least affront to the Crown, or this Government, or else had never attempted it; for what's more common and usual than for Merchants and others to enter into Partnership, make their Rules, and oblige themselves to [11] the due observation of them. And does this make them a Body Politick, and Corporate to all intents and purposes in the Law, or encroach upon the Prerogative, or dishonour this Government? What is it then the Projectors have done, that makes them such a Body Politick as Mr.

*Attorney* pretends they are. Certainly no man but one in *Eutopia* could make such an Interpretation of their Articles as he has done. The Projectors, as he rightly observes, do not pretend to Incorporate, or make themselves a Body Politick; neither does his partial description of a Corporation, which he says is my Lord *Cooks*, with all the *&c.* he has put into it prove they have.

We agree with him, that all Bodies Politick are derived from the King as their Original Fountain; but it does not thence follow, that all Banks of Credit and Companies are, for that there have been such as never were Incorporated: And does not the Sword Blade Company in *London*, continue even unto this day, to Emit their Notes to a very great Value by Trustees, and not Incorporated as a Bank of Credit: so that their Emitting Notes or Bills is not in *England* accounted a *thing intolerable, Unreasonable and Unjust*, and absolutely inconsistent with the Honour, the Power and Wisdom of that Government, nor to suffer a Number of their own People to set up an *Absolute Independent Government*, which like a Fire in [12] their Bowels, would burn up & consume their whole Body. But Mr. *Attorney* it seems is wiser, & sees further into the Matter, than the Government of *England* doth. And then again to prove the Erecting this Bank a Breach of Law, he brings in an Act of Parliament, made in the Sixth Year of the Reign of Queen ANNE, to wit, *that during the Continuance of the Bank of England, it shall not be lawful for any Body Politick or Corporate, other than the said Company of the Bank, or for other Partners exceeding six in England to Borrow or Owe any Sum on Bill or Note, payable on demand, or at any time less than six Months from the Borrowing*

*thereof.* Now it is to be observed, that this Law does not make any Number of Partners to be a Body Politick or Corporate, for their being in Partnership; Neither doth it forbid any six, or any other Number of Partners to Borrow or Owe any Sum on Bill or Note, payable at any time longer than six Months from the Borrowing. Most certainly that Law was made in favour of the Bank of *England*; So that even in *England* it self before that Act had its force, it was lawful there for any Body Politick or Corporate, or Partners to Borrow or Owe any Sum on Bill or Note, &c. And therefore will be Lawful again at the determination of that Bank. Then why may it not lawfully be done here, since that Act no ways affects this Province; For can Mr. *Attorney* imagine that setting up a Bank of Credit in *New-England*, would in the least measure, prejudice the Bank of *England*: However, tho' he says he will not trouble himself to Argue how far this Projection would be a Breach upon the Bank of *England*; yet he tells you, *page 12.* *That certainly if the same Fact committed in England, by a Number exceeding six would be a Breach of Law; much more may we suppose it forbidden and made Unlawful for an hundred to do it here.* Certainly, this is a fine and accurate Mode of Reasoning and Pungent Argument.

Because our Law forbids us Building of Wooden Houses in *Boston*, therefore we must not Erect one in *Lynn*, or the Province of *Main*.

As to what he says of the Projection not being founded in *Commutative Justice* and *Common Honesty*, and that he can't see the Reasonableness and Justice of it, betwixt the Subscribers and Borrowers; and therefore must unavoidably prove a *great Snare and Mischief* to those that want Money,

&c. To make a shew of the Proof thereof, he Argues from his own false Abstract of the Projection, so that he disputing *Ex non Concessis*; all he draws from thence, together with his *Hypothesis*, grounded thereon, must needs fall of it self, & come to nothing. And it is plain, his design was only to amuse the People, but more particularly the House of Representatives: Now since the [14] Projection obliges every Subscriber to Mortgage a Real Estate, of the full value of what he subscribes for, to make a sufficient Fund for the Credit of their Notes and Bills; as likewise to Answer all Deficiencies arising by any defect or default of the Projectors in the aforesaid Scheme; Whereby the Borrowers or Possessors of the Notes or Bills are sure to have Justice done them; and all concerned with them, in case the Bank should come to an end, even then will the last Possessors of their Bills or Notes have good Security to depend on: Notwithstanding all the Objector hath said, or possibly can say: They still having their Credit and Value from the Intrinsick Value of the Bank, and not from what his Bubbled Borrowers give them, as he groundlessly asserts. He must needs suppose the House to be asleep, and so to need awakening, as *page* 5. when he asserts, *page* 19. that by the Tenour of the Bills you see, they are only obliged to Accept of them for the Redemption of *Pawns* and *Mortgages*: When in his Reciting the Tenour of the Bill, *page* 7. He owns that we oblige our selves to Accept the same in ALL PAYMENTS according to Covenant made by us on Publick Record, &c. Which how directly he Contradicts himself, & endeavours to Mislead the House, we leave you and the World to judge: Nor would the Projectors have the Profits of other Mens E-[15]states, much less the Estates

themselves without a valuable Consideration, nor make themselves Masters of any Estates but their own, which they willingly Deposit and Mortgage for a General Benefit, for the Loan and Credit whereof it's as lawful for them to take Interest, as it is for Mr. *Attorney* for his Bills of Credit on the Province. The Bank Bills having a better and more certain Security than the Public Loan Bills, and more easily obtained, in Case that late Act should be Repealed: And for that Reason his Argument against the Private Bank is of far greater strength and force against the Publick Bank.

*Mr. Attorney is pleased often to put you in mind, that this Projection breaks in upon, and Invalidates the Constitution of this Province, page 4. 15. The Act of Parliament of late made Referring to Money in the Plantations, designing thereby to awaken the Government upon this great occasion, to Exert their proper Power, and not suffer the Projection to proceed, but by some proper Act, and Publick Order, to declare against, and forbid it, lest thereby the Constitution of the Government of the Province be broke in upon, and endangered: Because we are a Dependent Government, and must in all things Conform our selves to the Laws of Great Britain, and Instructions of the Crown, and therefore must expect to give an Account of all our Matters.*

Now if the suffering of this Private Bank to be [16] Erected, is such an Encroachment upon the Prerogative, and a breach of the Law of *England*, as to endanger the loss of our Charter, & the Liberties and Estates of the People, which to prevent, Mr. *Attorney* tells you, was the very Consideration that principally determined him at that time so freely to Communicate his Thoughts to your

self in that Matter; with the several other fine flourishes and plausible Insinuations, whereby he would induce you to believe that in all this Affair he hath sincerely aimed at the Publick Good, and effectually to prevent any Attempts that might be made against our Liberties and Priviledges, which no doubt he is intirely fond of, & always was vigilant & industrious to maintain and defend. If he has sincerely given you his Opinion respecting the Private Bank, and the direful effects of it, with what sort of sincerity did he when he says he had the Honour to be of an Extraordinary Committee Raised for that purpose, give it as his Opinion, that considering the demand as to the Taxes, & the great occasion of the People, as to their Trade, it might be convenient to Make and Issue out a further quantity of the Publick Bills of Credit: And now in his Letter spend so much time, and take such pains, and argue to persuade the General Court to set up a Bank of Credit themselves, Emit their Bills, and take Interest for the same. Is it not as possible for the Government to Erect, [17] Set up and Establish things contrary to the Law, as for a Number of Private Persons; and does not the Law of *England* which he saith would be broke in upon, by Erecting a Private Bank, much more respect a Corporation than Private Persons; and which he himself readily grants it doth. Is not this then one effectual way to endanger the Constitution of the Government, the utter Ruin & Loss of the Charter, & the many Liberties we hold & enjoy thereby. For if a Number of private Persons break in upon the Law of *England* they may be severally punished therefor; But if a Corporation or Government like Ours, Set up and Enact things contrary to the Law of *England*, doubtless the way to punish them



would be by Loss of their Charter and Priviledges granted thereby. So that upon the whole Matter, whether his Letter was not rather to Lull you asleep, if possibly he could, that then he might bring you into the Practice of such things, which hereafter you, and all of us might have sufficient Reason to lament and be grieved for, but when too late; than in the last measure to awaken the Government that they might be upon their Guard against any Attempts to undermine them. Because having lately seen a Book Printed in *London, Anno 1708*. Intituled, *The Deplorable State of New-England, &c.* In which is a Letter in the Words following.

[18]

Boston, January 12th, 1703, 4.

Dear Kinsman,

*I Confess I am ashamed almost to think I should be at Home so long, and not let you know of it till now; Tho' after all, a New England Correspondence is scarce worth your having . . . I Refer you to Mr. . . . for an Account of every thing, especially about the Government and the Colledge, both which are discoursed of here in Chimney Corners and Private Meetings as confidently as can be. If there should be any occasion you must be sure to stir your self and Friends, and shew your Affection and Respect to my Father, who loves you well, and bid me tell you so. . . . This Country will never be worth Living in for Lawyers and Gentlemen, till the Charter is taken away. My Father and I sometimes talk of the Queens establishing a Court of Chancery in this Country. I have Wrote about it to Mr. Blathwayt: If the Matter should succeed, you might get some place worth your Return,*

*of which I should be very glad. If I can any ways serve you or your Friends, Pray signifie it to*

Dear Sir,

Your Affectionate Friend,  
and Humble Servant,

*Paul Dudley.*

[19] Surely such a particular Favour done this Country, loudly calls upon every good Inhabitant within the same, to be always paying his proper thanks: And may it not very justly raise some doubts of his sincerity in seeking the true Interest of this Country; or at least whether he doth not vastly differ in his Opinion from the most and best of Men among us, concerning what are our good and valuable Liberties and Priviledges.

Sir, We take no Pleasure in Rehearsing these things to you, but were necessitated thus to do, lest by the aforesaid Letter in which he asserts, *page 21.* that as yet they have not Consulted the Government in the whole Affair; We might be thought to be in any wise endeavouring to break in upon the Constitution of this Government, and consequently the Priviledges and Liberties we enjoy by the Charter, which we highly esteem of, and shall never be wanting to do what in us lies for the long and well securing thereof.

A very considerable part of his Letter being on the praise of Money, Silver and Gold, and his Contrivance to store the Country with it, Regulating the Trade of the Country, and the Extravagance of the Inhabitants far beyond their Circumstances in their Purchases, Buildings, Expences, Appar-

rel, &c. being not to the present purpose, we shall not trouble you with an Answer thereto.

[20] We doubt not but upon your Reading this our just Defence, you will be sufficiently enabled to make proper Thoughts upon the whole design of that Gentleman, as well as our Projection; which seeing it hath laboured under so many needless Aspersions, shall take this occasion to Print the same; that every one that pleases may have the Perusal and Examination thereof: whereby they will perceive his Letter to be *Pandora's Box*, and not the INNOCENT PROJECTION.

*Dated at Boston, in New-  
England, Decemb. 20. 1714.*

We are, Sir,  
Your very Humble Servants,

<i>Samuel Lynde,</i>	}	To the Contents, except the Letter taken out of a Book.
<i>E. Lyde</i>		
<i>John Colman</i>	}	
<i>Elisha Cooke, jun.</i>		
<i>J. Oulton</i>	}	At the Desire, & in behalf of the Partnership.
<i>Timothy Thornton</i>		
<i>Oliver Noyes</i>	}	
<i>William Pain</i>		
<i>Nath. Oliver.</i>		

## NOTE TO "A VINDICATION OF THE BANK OF CREDIT," ETC.

The natural order of precedence of these pamphlets would seem to require that the "Projection" of the bank should be placed before its "Vindication." Yet, if one reads carefully the last paragraph of the "Vindication" he will see that the publication of the "Projection" is there promised. Consequently, having due regard for the chronological sequence of the appearance of these publications, so far as it can be determined, we must place the "Vindication" before the "Projection."

It is a pamphlet of twenty pages, and was when untrimmed probably what we should term a 16mo. The leaves of the copy examined now measure 6 by  $3\frac{3}{4}$  inches. The copy of the pamphlet of which we make use and the facsimile of the title-page were originally obtained for "Tracts relating to the Currency," through the courtesy of the Massachusetts Historical Society. Copies of the "Vindication" are to be found upon the shelves of several of our libraries.<sup>1</sup>

Samuel Lynde who leads the list of subscribers to the "Vindication" was a son of Simon Lynde, whose name appeared in connection with the proposed bank of 1686. He was prominent in local affairs in Boston for many years, but was never selected by his fellow citizens for any conspicuous office. He was overseer of the poor, assessor, one of the committee to audit the treasurer's accounts, was appointed on special committees of several sorts where the services of tactful, judicious men were required, and was for many years a justice of the peace. He was connected with the military, and his name appears in the History of the Ancient and Honourable Artillery Company, Vol. I, p. 286. In 1711 he was nominated as a justice of the court of common pleas, but was rejected by the council. He served, in 1704, upon a commission to interview the governors of Connecticut and Rhode Island, on a question

<sup>1</sup> Boston Public Library, Massachusetts Historical Society, Boston Athenæum, American Antiquarian Society, Harvard University, Library of Congress.

relative to their assuming their proportionate part in the Indian War, and received the thanks of the general court for his services.<sup>1</sup>

Edward Lyde, whose name follows that of Lynde, was a merchant. In 1711, when the province fitted out an expedition against Quebec, he was one of the merchants who borrowed bills of public credit from the government, through which loan they were enabled to carry the sterling drafts of General Hill and Admiral Walker, which drafts it was realized would not be promptly paid. For this service the merchants received the thanks of the general court. He held for several years the offices of overseer of the poor and assessor, was a warden of King's Chapel, and from 1715 to 1723 was a judge of the court of common pleas. He was also for many years a justice of the peace. He was a member of the Ancient and Honourable Artillery Company.<sup>2</sup>

John Colman, whose name appears next upon the list of subscribers to the letter in vindication of the bank, although not conspicuous in the political affairs of the province, became associated with the financial episode which we are especially considering in such a way as to leave a much more striking record than any of his fellow subscribers. He was active in town affairs, having run the usual routine of the Boston business men of that day, in the way of service upon town committees, as selectman, and in sundry subordinate positions. He was one of the founders of the Brattle Square Church, and was a justice of the peace. Later on he took part in the pamphlet discussion favoring a private bank which should emit bills upon land security, and in 1720 submitted a scheme for a bank, based upon the scheme which he was now vindicating. In 1739 the call of the assembly for schemes brought him to the front. The Land Bank of 1740, the outcome of the agitation in the fall of 1739, made him famous.

Elisha Cooke, Jr., was a conspicuous man in provincial politics and was much favored at the time of his entrance upon political life by the great power and popularity of his father. He held office of some sort, sometimes several at the same time, during the greater

<sup>1</sup> Acts and Resolves, Province of Massachusetts Bay, Vol. VIII, p. 99.

<sup>2</sup> History of the Ancient and Honourable Artillery Company, Vol. I, p. 343.

part of his active life. He served the town, as did most of his friends, in many ways, filling sundry minor offices, acting on committees, and serving as selectman. He was an officer in the Boston militia and a member of the Ancient and Honourable Artillery Company.<sup>1</sup> He was several times a representative, was clerk of the superior court, agent of the province to England, member of the council, and chief justice of the court of common pleas.

His personal activity as a politician led him into hostile contact with the government, and he was removed from his position as clerk of the superior court by Governor Shute. When elected councillor in 1718, his election was negated by the governor. When elected speaker of the house in 1720, the governor attempted to apply his negative, a proceeding which met with a protest from the house of representatives and a refusal to recognize the power of the governor to control in any way the election of the speaker. To escape from the predicament in which the attempted negative had placed him the governor was compelled to prorogue the assembly. Cooke became prominent in consequence of this contest and published a pamphlet discussing the legal questions involved.

Towards the end of his life he fell under suspicion of seeking to curry favor from the government, and his popularity was much abated.

John Oulton has left scarcely a trace of his existence in the records. We find him serving as constable and tything man. Reference is made to his dwelling house on Marlborough Street. He was a prominent member of King's Chapel, of which he was a warden. He was interested in land in some of the new towns in the interior. He was one of a committee appointed by the general court to destroy a batch of defaced and worn-out bills of public credit. At a later date he joined in a petition to the general court with "other persons in Marblehead" interested in fishing, for protection of the herring fishery against seining on Cape Cod.<sup>2</sup>

Timothy Thornton was a shipbuilder and was a lessor from the town of Boston of wharf property. He owned more or less real es-

<sup>1</sup> History of the Ancient and Honourable Artillery Company, Vol. I, p. 317.

<sup>2</sup> Acts and Resolves, Province of Massachusetts Bay, Vol. X, p. 737.

tate in Boston and served the town in various subordinate offices as well as upon committees. He was elected selectmen in 1706, but declined to serve. He was one of the committee appointed to sign the first bills of public credit emitted by the colony in 1690 and was a representative in 1693, 94, 95, and 96. He found mention in the History of the Ancient and Honourable Artillery Company, Vol. I, p. 288.

Oliver Noyes figures in the records sometimes as captain and sometimes as doctor. He was an active, energetic man, a practising physician, and a servant of the town in the various activities to which his fellow citizens from time to time summoned him. He served in the militia, was repeatedly elected selectman and for many years represented Boston in the assembly. In 1708 he was put upon a committee to effect the sale of lands belonging to the town of Boston. This committee recommended that the amount derived from the sale be set aside and the "income forever appropriated and improved for a School for Writing and Arithmetick."<sup>1</sup> Hutchinson speaks of him as "a gentleman in great esteem with the inhabitants in general," and in noticing his death says: "He was strongly attached to the popular party and highly esteemed by them."<sup>2</sup> A pamphlet entitled "A Letter From a Gentleman Containing Some Remarks upon the Several Answers given unto Mr. Colman's," etc., which was published in 1720 and is devoted to a defence by Colman, is attributed to Dr. Noyes. A sketch of his life is to be found in the "History of the Ancient and Honourable Artillery Company, Vol. I, p. 319. His name occurs thirty-four times in the printed index to Vol. IX, of the Acts and Resolves of the Province of Massachusetts Bay. An examination of these references will show the wide field in which the assembly made use of him.

The next name upon the list of subscribers to the "Vindication" is that of William Pain. Any person who shall look at the Boston Records covering this period will find that there were either several persons bearing the names of Pain, Paine, Payn and Payne, or that the clerk spelled the same name in these different ways. Moreover,

<sup>1</sup> Eighth Report Boston Record Commissioners, p. 56.

<sup>2</sup> History of Massachusetts, Vol. II, p. 189. *Ibid*, p. 225.

he will find mention of a William of that name, if we count all these names as the different spelling of one name, who is described as a joiner, and again the same William, or another, who is called a blacksmith. On the whole it may safely be said that there were at least two William Pains, if for the moment we spell the name thus, at that time in Boston,—the one a respectable mechanic who held several minor offices and performed such civic duties at the call of his fellow citizens as would naturally be expected from a man in his position in life; the other a man of means, evidently possessed of considerable real property, who was elected from time to time to positions of honor and responsibility by his fellow townsmen. In selecting from the records the incidents which apply to the particular William Pain who signed the "Vindication," we have nothing to guide us, except the fact that the names placed there were undoubtedly chosen because of their assumed influence in pecuniary as well as moral affairs over their fellow citizens. After January 14, 1711, 12, the claims of the joiner for consideration are eliminated. Sewall records his death on that day.<sup>1</sup> We can not go far wrong, then, if we should identify the signer of the "Vindication" as William Payne, a Harvard graduate of the class of 1689, of whose life Sibley gives a sketch in *Harvard Graduates*, Vol. III, p. 409, *et seq.* He was, as a young man, in the revenue service, having a commission under Governor Stoughton in the impost office and a commission under Lord Bellomont as collector. He was sheriff of the county of Suffolk for several years, and for a time was commissioner of the excise. He was a member of the Ancient and Honourable Artillery Company<sup>2</sup> and was one of the founders of the Brattle Street Church. He was for a time a representative, and at one period served as clerk of the house of representatives.

Nathaniel Oliver was, just prior to and after 1700, a representative from Boston in the assembly. He is generally spoken of in the Boston Records as Captain Nathaniel Oliver, and served the town from time to time in some of the minor offices. While a representative he was one of the subscribers to the association established

<sup>1</sup> Sewall's Diary, Vol. II, p. 332.

<sup>2</sup> History of the Ancient and Honourable Artillery Company, Vol. I, p. 287.

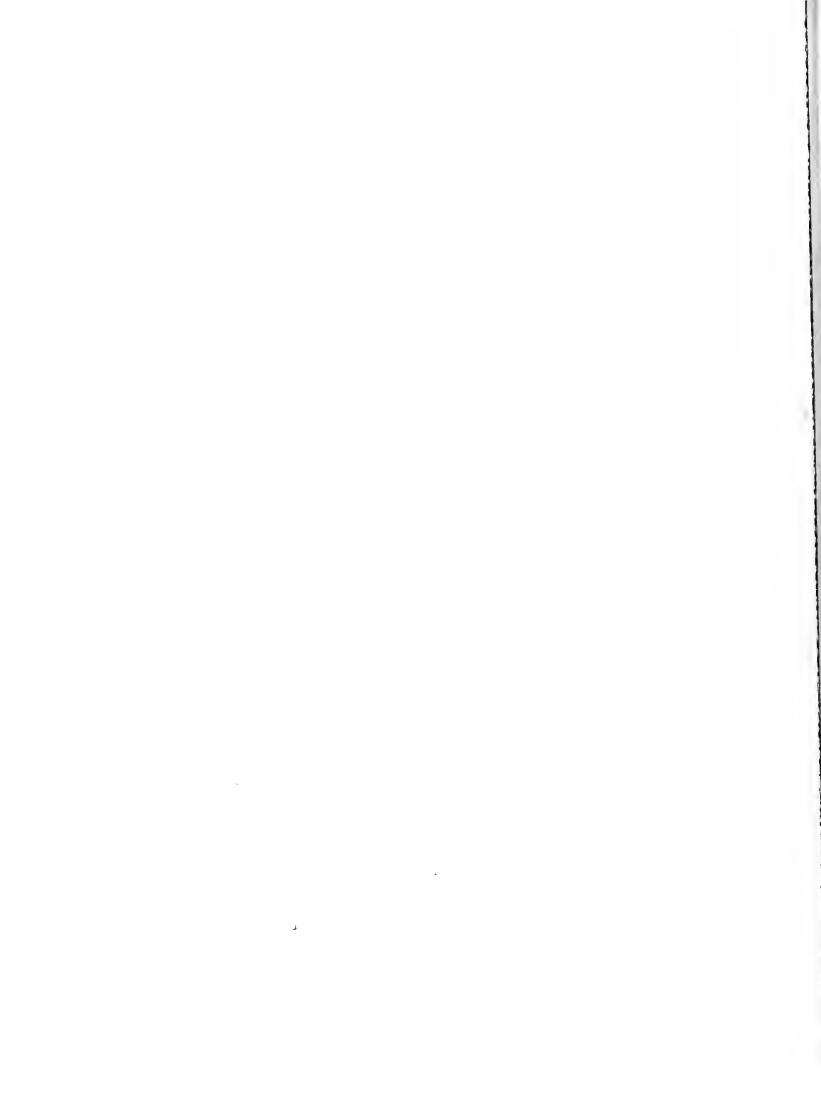


under act of parliament "for the better securing of His Majesties royal person and government."<sup>1</sup> Through a petition brought by him to the general court in 1696, for relief from a ruling of a court held at Edgartown, it was discovered that the commissions of the justices limited their jurisdiction to Martha's Vineyard. Oliver's suit related to land in an adjoining island and the ruling of the court, denying him relief, was sustained on the ground of lack of jurisdiction.<sup>2</sup> He married a daughter of Thomas Brattle.<sup>3</sup>

<sup>1</sup> Acts and Resolves, Province of Massachusetts Bay, Vol. VII, p. 121, and p. 512.

<sup>2</sup> Acts and Resolves, Province of Massachusetts Bay, Vol. VII, p. 110, and p. 495.

<sup>3</sup> Memorial History of Boston, Vol. I, p. 580.



A  
PROJECTION

For Erecting a

BANK

OF  
CREDIT

In *Boston, New-England.*

Founded on

LAND

Security.

Printed in the Year 1714.



A  
P R O J E C T I O N

For Erecting a

BANK

OF

CREDIT

In *Boston, New-England.*

Founded on

LAND  
Security.

Printed in the Year 1714.

[5]

A

## PROJECTION

For Erecting a Bank of  
Credit.

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To all to whom these Presents  
shall come, We whose Names  
are hereunto Subscrib'd, and  
Seals affix'd, send Greeting.

WHEREAS *there is a sensible decay of Trade within His Majesties Plantations in New-England, for want of a Medium of Exchange, wherewith to carry on the same; the Running Cash being Exported, and considerable Sums of the Bills of Credit put forth by the Government, which had their* [6] *Circulation and supported the Trade being already drawn in, and the remaining lessening Yearly, by the payment of the Taxes, and other Publick Dues; so that without a Medium, the Trade must necessarily decay, to the unspeakable detriment of the Landed Interest as well as the Trading Party; and their being no other Expedient in our view for the Reviving and Encouraging of Trade, and facilitating Returns for Goods and Merchandizes Imported from Great Britain, but by Establishing a Fund or Bank of Credit upon Land Security, which may give the Bills Issued there-from a General Currency amongst us.*

*We therefore the Subscribers, Parties to these Presents, for the more effectual Erecting and sure Establishing of such*

*a Fund or Bank of Credit, do mutually Covenant, Consent and Agree as follows :*

1. THAT the Subscriptions shall be taken to a Value not exceeding *Three Hundred Thousand Pounds*, and that every Subscriber shall Settle and Make Over a Real Estate to the value of his Respective Subscription, to the Trustees of the Partnership or Bank, to be and remain as a Fund or Security for such Bills as shall be Emitted therefrom ; which Emission shall not exceed the Subscription, and will make good all deficiencies that shall arise from any Neglect, [7] Default or Mismanagement of any of the Officers or Members of this Partnership or Bank.

2. That no Person shall Subscribe above *Four Thousand Pounds*, nor under *Two Hundred and Fifty Pounds*; and each Subscriber shall take out and keep for two years at least, one quarter part of his Subscription, and not exceed one half part by virtue of his first Mortgage, paying Interest therefor, according to the Rules of this Partnership.

3. That we will from time to time, and at all times for ever hereafter give Credit to the Bills Emitted from this Fund or Bank, equal to what is given to the Bills of Credit on the Province of the *Massachusetts-Bay*, and to accept the said Bills in all Payments (Specialties and Obligations for any other Specie excepted) upon Forfeiture of *Fifty Pounds* for each refusal, until the Refuser has forfeited his whole Security and Profits; and every such Person having so forfeited, shall no longer be accounted a Member of this Partnership, but be deemed *ipso facto* dismiss, and lose his Interest therein.

4. That it shall be free for any Person or Persons not being of this Partnership or Bank, to borrow Bills, or have

Credit out of said [8] Bank, giving Security according to the Rules hereof, and on Payment of the Principal and Interest, their Mortgage or Deposuit, shall be released and discharged.

5. That in all Matters to be transacted and Voted in the General Meeting of the Subscribers of this Partnership or Bank; every such Person who hath Subscribed *Two Hundred and Fifty Pounds*, shall have one Vote, *Five Hundred Pounds* two Votes, *Seven Hundred and Fifty Pounds* three Votes, *One Thousand Pounds* four Votes, *Twelve Hundred and Fifty Pounds* five Votes; and no person shall have above five Votes, how great soever his Subscription to, or Interest in this Bank is, or shall be.

6. That the Interest to be paid on all Bills Issued out, whether on Persons Mortgages or Deposuits, shall not exceed *Five Pounds per Cent per Annum*.

7. That there shall be at no time Emittted from this Partnership or Bank, any Bills of Credit, but upon good Security, to the acceptance of the Directors for the time being, at the Rates and Values following,

On Rateable Estates two Thirds of the Value.

On Wooden Houses without Farms, not exceeding the Value of the Lands belonging to them.

[9] On Brick Houses not exceeding the Value of the Land belonging to them, and half the value of the Lands according to their different Circumstances.

On Gold not exceeding *Five Pounds Ten Shillings per Ounce*.

On Silver not exceeding *Six Shillings and Eight Pence per Ounce*.

On Iron and other unperishable Commodities, as a



Pledge for one half, or two thirds, according to the Market.

8. And whereas for the Security of this Partnership or Bank, it is agreed, that there shall be Chosen seven persons in trust of good Interest, known Integrity and Reputation, and that to them or any five of them, and such other persons as shall from time to time be Chosen and Appointed by the major part of the Votes of the Members of this Partnership then present to Use and Exercise the aforesaid Trust: All Estates to be settled, shall be Conveyed for the ends aforesaid, and that the Trustees for the time being, shall have full power by Order in Writing, under the Hands of the major part of the Directors, to Commence any Suit at Law against any of the Mortgagers, and make what Releases and Assignment shall be thought necessary, for the Use of this Partnership; and that the Trustees for the time being, shall be Obligated to Sign and Execute a ge-[10]neral Instrument, Binding and Obliging Themselves, their Heirs and Executors unto the Directors for the time being, not to do any thing by way of Release or Assignment; or Commence any Suit at Law against any of the Mortgagers, but by Order in Writing, under the Hands of the Directors, and to the Use of this Partnership: The said Trustees disclaiming all Right and Property in any Mortgage or Conveyance to them by virtue of their Trusteeship.

FURTHERMORE, That the said Trustees do from time to time attend and perform all such Orders relating to this Affair, as shall be given in Writing at any time by the Directors, or the major part of them; and that it shall be in the power of this Partnership, by the major Votes present in a General Meeting, to Remove the said Trustees if they shall

see cause, and to choose and place in their stead others.

And that A.                      and B.

Esqrs.                      C.                      D.

E.                      F.                      and G.

Merchants, all of *Boston*, in the County of *Suffolk*, in the Province of the *Massachusetts-Bay* in *New-England*, be the first Trustees of this Partnership or Bank of Credit; and that to them, or any five of them, and the Trustees for the time being, all the Estates to be settled shall be Conveyed in Trust; which Trustees shall [11] continue in their Stations until their respective Death, Removal or Resignment.

FURTHERMORE, We do Covenant and Agree, that the said Trustees shall be Indempnified at all times by this Partnership or Bank from all Charges and Damages which they shall sustain, or be put to by reason of their Trust, or the due Execution thereof; & none of them shall be chargeable for the acts or defaults of any other but his faults only. And for their Encouragement and Reward, they shall have Annually paid to them out of the Profits, *Thirty Pounds* each, which Sum may be augmented at the Annual Meeting, if it be found insufficient.

9. That there shall be a General Meeting of the Subscribers in some convenient place in the Town of *Boston* aforesaid, on the first *Tuesday* in *June* Annually, where, by the major part of the Votes present, there shall be Elected to Serve for one year next ensuing, until others be Chosen in their room; Officers for managing the Affair of this Partnership or Bank, on such Salaries for their Service, as are, or shall afterwards be agreed on. *That is to say,*

Seven Directors, who shall from time to time Choose one of their Number to preside; Four of which Number shall

have power to act; & in case of equal Votes, the President to have the Casting.

That these seven Directors shall be Impow-[12]red to call General Meetings of the Subscribers on all important Occasions, and shall be proper judges of all Securities to be taken into this Bank, and have power to appoint persons to apprise and report the value of all Estates to be taken as Securities, to give Directions to the Trustees for Releases upon payment of Mortgages, under such Regulations as are or shall hereafter be made for the good government thereof; none to be capable of this Office, but such as shall Subscribe *Five Hundred Pounds* in this Bank.

One Treasurer, who by Order, and under the Hands of the Directors, or the major part of them shall be impowred to pass out Bank Bills, and shall inspect and regulate the Books and Accompts of this Partnership, and shall have the direction of the Clerks in order thereto; which Treasurer shall find Security to be bound with him in the Sum of *Ten Thousand Pounds*.

One Head Clerk, and one Under Clerk or more if need be; each of whom shall give to the Trustees of this Partnership, *One Thousand Pounds* Security or more if it shall be hereafter thought needful, and shall be Obligated to keep two setts of Books for the Affairs of this Partnership, and give their daily attendance at such stated hours as shall be appointed, and observe such Orders as they shall receive from the Directors or Treasurer: And in case of the Death [13] of any of the Clerks, or removal by the Directors for mismanagement, it shall be in the power of the Directors to appoint others to Serve in their stead, until the next Annual Meeting, taking Security as aforesaid.

10. That for the maintaining of the Credit of this Partnership, and preventing Frauds, We oblige our selves, that the Books be always free to the inspection of the Subscribers and Owners, and that they be posted up every day if possible; Cast up and Ballanced once a year, to be offered to the Annual Meeting on the First *Tuesday* in *June*; That there be a perfect Register or Entry made of all Mortgages and Pawns made to this Partnership, of all Assignments and Releases.

11. For the further ease of this Partnership, and for preventing of Frauds, we hereby agree, that any person interested in the same, who doth not see reason to take out Bills, he shall have Credit in the Books, and liberty to transfer all or any part of his Credit to any person not under *Ten Pounds* at an Entry, the person transferring to return his Note if any given, & a new Note given to the person transfered to, under the Hand of the Treasurer, and that the Treasurer at the request of any Owners of Notes so Emittted, shall exchange the same for Bills, discharging the Accompt of Notes, and charging the Accompt of Bills; and that there shall be a Committee of six ap-[14]ointed to prepare, sign, indent & perfect such a Number of Bills as shall be agreed on by this Partnership, to be put into the hands of the Treasurer, and issued out by Order of the Directors according to the Rules of this Partnership, which Committee shall continue, until the Partnership shall see reason to alter them, and four of them to sign every Bill.

12. That in Case any person or persons shall refuse to pay their Interest for two months after it becomes due, he shall pay after the rate of six *per Cent per Annum* from the

time it becomes due, until he make payment; and if any person Indebted to this Partnership be desirous to lessen his Debt, he shall be allow'd to pay in any even Sum, not under *Twenty Five Pounds*; but if any person shall redeem his Mortgage or Deposuit, or lessen his Debt, in less than three Months time after the making thereof, he shall yet pay three Months Interest for the same; and in case he can't pay in Bank Bills, he may pay in Province Bills, or Current Silver Mony.

13. If any person shall not redeem his Pawn deposited, the continuance whereof shall be hazardous, or not pay his Interest for the same at the time agreed on, it shall be lawful for the Directors of this Partnership, upon three months notice given, to Dispose and make Sale of such Pledge, at the best Rates they can, rendring the Overplus, if any be, to the Depositor; or if any Security given, appear to be [15] doubtful in the Judgment of the Directors; it shall be lawful for them to demand a renewal or augmentation of such or other Security, to provide for the safety of this Partnership.

14. When the Bills Emittid shall be much worn, to avoid pasting or covering of them, the Possessors may have them exchang'd, and the old Bills so return'd after they have been Examind, and an Accompt taken of them, shall be Burnt by a Committee appointed for that purpose, whose Attestation in Writing that they have been Consum'd into Ashes, shall be the Treasurers discharge for the same.

15. That the neet profits arising from this Partnership, shall be, and belong to the Subscribers and Owners of the same, their Heirs and Assigns, in proportion to their respective Subscriptions, except what is herein otherwise dispos'd of, and shall be under such Regulations as shall best

answer the design in giving a Credit to this Bank, but out of the profits of two first years, the Directors shall have power to purchase or build suitable Conveniences for the Affairs of this Bank before any Dividend shall be made; such a purchase being first made, the neet Proceeds shall be divided amongst the Subscribers, at the expiration of two years; but afterward the neet Proceed shall be divided at every years Meeting in *June*.

16. That when and so often as by the [16] Decease or Alienation of any Estate by any Member of this Partnership Mortgaged to the Trustees for the Uses aforesaid, shall happen to be invested in any other Person or Persons; That such Person or Persons to whom such Estate shall descend or be conveyed, shall within three Months next after, give notice to the Directors for the time being, at the Office of this Bank, that so Entry of the same be made, for the better direction of whom, to demand the Principal and Interest of said Estate; and such person or persons shall be obliged to observe the Rules, Covenants and Agreements of this Partnership, and shall be esteem'd a Partner.

17. That the Bills shall be of several Denominations as shall be agreed on, and of the tenour following, but alterable, at the discretion of this Partnership; the Motto to be, *Crescit Eundo*.

THIS INDENTED BILL OF CREDIT, *Obliges Us, and every of Us, and all, and every of our Partners of the Bank of Credit of Boston in New-England, to accept the same in Lieu of Twenty Shillings, in all Payments, according to our Articles of Agreement; and that it shall be so accepted by our Receiver or Treasurer, for the Redemption of any Pawn or Mortgage in the said Bank.*

Boston, November First, *One Thousand Seven Hundred and Fourteen.*

[17] 18. That every Subscriber, who shall Convey his Estate to the Trustees, shall enjoy the same, the Rents and Profits thereof, until by his default in not paying his Interest, his Mortgage be sued out; and that every Subscriber, who shall settle his Estate on the Trustees, may withdraw the same, upon settling another Estate of like value in its room, to the satisfaction of the Directors; and such new Estate so settled, shall be Entitled to the Profits, subject to the Charges and Losses of this Bank, as the former Estate so withdrawn was.

19. And for a further benefit to the Publick, when there shall be Emitted and Continued at Interest *One Hundred and Fifty Thousand Pounds*, We give out of the Neet Profits of this Partnership, the Sums following, *Viz.*

Four Hundred Pounds per Annum *to the Use of an Hospital or Charity School, for the Support and Education of the poor Children in the Town of Boston, at the discretion of such Persons as shall be Chosen Overseers of such Schools and Hospitals when Erected: Provided the Inhabitants and Freeholders of the Town of Boston, do, at or before their General Meeting in March, One Thousand Seven Hundred [18] and Fifteen, order the Treasurer to accept the said Bank Bills in payment of Town Taxes and Assessments.*

Two Hundred Pounds per Annum, *to be paid to the Treasurer of Harvard Colledge in Cambridge, for the Uses following, Viz.*

Twenty Pounds per Annum, *for a Mathematical Professor Residing there, provided he Read a Publick Lecture once a Month on that Subject.*

Forty Pounds per Annum, *for the Encouragement of three Graduates Residing there, until they take their Masters Degree, to be equally divided amongst them; the said Graduates to refund and pay back so far as they have Received, if they depart the Colledge before that time.*

One Hundred Pounds per Annum, *for the Support of six Ministers Sons, to be equally divided amongst them; and in Case there be not six Ministers Sons, then the remainder to be given to any other who may stand in most need thereof; the whole Two Hundred Pounds to be at the dispose of the Corporation.*

Forty Pounds per Annum, *to a Professor of Physick and Anatomy, Residing there, provi-[19]ded he Read a Lecture once a month, on that Subject.*

Twenty Pounds per Annum, *towards the further support of a Publick Grammar School in each County, now in the Province of the Massachusetts-Bay in New-England, provided such a Grammar School, be Erected and Maintained by every such County, with an Addition of Forty Pounds per Annum, to every such School-Master. Provided Nevertheless, and it's to be understood, that the Neet Profits of this Bank or Partnership amount to so much as the Donations herein Express'd, and that the Donations first mentioned, be first paid, in case the Neet Profits fall short.*

20. That the Office for managing the Affair of this Partnership be always kept in *Boston* aforesaid, and that every Subscriber on taking out by virtue of his Mortgage the Sum belonging to him, shall pay in to the Treasurer for the time being; one quarter of a years Interest for defraying the necessary Charges that may arise, in managing the Affair of this Partnership; and every Subscriber shall within



three months after his Subscription take out his one fourth part as abovesaid.

21. That at any Annual Meeting of the Subscribers, they may by the major Votes then [20] present, make any Alterations or Additions to this Settlement for the better managing the Affairs thereof, not inconsistent with the foundation.

22. That in Case any of the Possessors of the Bills happen to be damnified through default by, or Nonobservance of the foregoing Covenants and Agreements, or by any other defect of this Partnership, or of any of the Members or Officers thereof; the Person or Persons so damnify'd, shall have remedy by Action and Suit at Law against the Directors of this Bank for the time being, who do hereby subject themselves to such Suit and Actions.

*And we further Covenant and Agree, that there shall be a Duplicate of these Articles duly Executed, and lodged in the hands of the Treasurer of the Town of Boston for the time being, that so persons injur'd may be in a Capacity to bring their Suit.*

23. That the Directors, Trustees, and all other Officers shall be indemnify'd by this Bank from all Charges and Damages which they may sustain by reason of their Trust and Office in the due Execution thereof, and none of them shall be chargeable for the neglects or defaults of any but his own.

24. That if any Officer or Officers, Mem-[21]ber or Members of this Bank or Partnership, by reason of his Office or Partnership, be Sued in any Action of Debt or Damage, such Person or Persons shall immediately give notice thereof, to the Directors for the time being, that they may

prepare to defend the same ; and that upon neglect of giving such seasonable notice, the Partnership shall not be oblig'd to indemnify such person or persons against whom such Suit is brought, nor from the Cost and Damage that may ensue thereon.

25. Whereas the Affairs of this Partnership cannot be effectually carried on without the Election and Constitution of the several Officers before nam'd ; We have therefore appointed *Monday* the First day of *November* next, the day for such Election of seven Directors, a Treasurer, one Head Clerk, and one Under-Clerk, and more if need be, who shall have the power to Exercise their Respective Offices and Trusts, and continue the same till the First *Tuesday* in *June, Seventeen Hundred & Fifteen*, and until others be Chosen in their room and stead in such manner as in these Presents is Express'd ; Provided there be subscribed the Sum of *Fifty Thousand Pounds* on or before the said Day. And that no Bills shall be Emitted from this Bank or Partnership, until further Subscriptions make up the Sum of *One Hundred Thousand Pounds*.

[22] 26. To the true and faithful performance of all and singular the Clauses, Articles, Covenants and Agreements, Forfeitures and Penalties herein before Expressed : We the Subscribers, Parties to these Presents, Do mutually Bind and Oblige our selves, and each and every of us, each and every of our Heirs, Executors, Administrators and Assigns, severally and respectively, each one unto the other, and to the Possessor or Possessors of the Bills of Credit, that shall from time to time, or any time hereafter be Emitted by this Bank or Partnership in the full Value of the Sums by us, and each of us Subscribed hereto.

Dated the Thirtieth of *October, Anno Domini, Seventeen Hundred and fourteen, Annoque Regni Georgii Magnæ Britaniæ, Franciæ et Hiberniæ, Regis Primo.*

NOTE TO "A PROJECTION," ETC.

The "Projection" is to be found in several of our libraries.<sup>1</sup> It is a volume of twenty-two pages, and the copy and facsimile of the title-page were procured for "Tracts relating to the Currency," etc., through the courtesy of the Massachusetts Historical Society.

The preamble is especially interesting. The projectors allege that the silver coin on which they had depended for a circulating medium had been exported, while the constant drawing in of the bills of public credit by the government, through funds, dues, and taxes, caused a want of a medium of exchange. Doubtless the immediate cause for the activity of these gentlemen at this time was the impending withdrawal from circulation of the fifty thousand pounds loaned to Boston merchants at the time of the Hill and Walker Quebec expedition. In the natural course of events this must soon have taken place. The emission of this sum had displaced a corresponding amount of silver. The payment of the loans would not restore it. What was the remedy? The answer then given was either a public bank or a private bank.

The reason for relegating the "Projection" to a position posterior to Dudley's pamphlet and to the letter from F . . . l B . . . t have already been given.

There are two copies of the "Projection," etc., bound in the same volume of tracts in the Boston Public Library. The contents of this volume are not limited to the subject of the currency, but there are to be found in it no less than eight of the titles mentioned in the introduction to these reprints. In the process of binding some of them have been badly cut down and the leaves of the trimmed pam-

<sup>1</sup> Boston Public Library, Massachusetts Historical Society, Boston Athenæum, Harvard University, American Antiquarian Society, New York Public Library, and Library of Congress.

phlets measure about  $5\frac{3}{4}$  by  $3\frac{1}{2}$  inches. It would seem as though when untrimmed they might have been classified as 16mos. In one of the "Projections" in this volume, on page 18, the phrase "the whole Two Hundred Pounds to be at the dispose of the Corporation," beginning at the fourth line from the bottom, is stricken out and the same words are written in after the word "Subject," in the second line on page 19. The propriety of this change is obvious.

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SOME  
CONSIDERATIONS

Upon the several sorts of

BANKS

Proposed as a

Medium of Trade :

AND

Some Improvements that might be made  
in this Province, hinted at.



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Printed by *T. Fleet* and *T. Crump*, at the Desire of some  
of the Inhabitants of BOSTON. 1716.



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## [3]

IN a Country of much Trade and Business, and where the *Silver* (which is the best *Medium*) is drawn off, the Trade will thereby be greatly disadvantaged. To supply the Deficiency thereof in this Country, the Publick *Bills of Credit* have been for some Years a useful Expedient; but they being become scarce, and daily decreasing, various have been the Projections of setting up a *Bank* to the value of 200000 *l.* more or less, as the only *Medium* of Trade.

Before the Consideration of the several Projections, it may be of use to consider, that before the War, 26 or 27 Years since, there was a competent Cash to answer the Trade of the Country; and to enquire what it was that drew it in, and how it comes to pass tis now drawn out; that so the first may be encouraged, and the other avoided.

And tho' the Wrecks and the Privateers did bring in considerable Quantities, yet many are of the Opinion those were but a small Proportion to the running Cash of the Country; but that the Fishery was then the *N. E. Silver Mine*, and if Peace continue, may prove the principal Means to draw in *Silver* again; and so much the more, if it has all needful Encouragement given by the *General Court*. For tho' tis true the needless Expence in many respects, as in *Silks, fine Cloth, both Linen, and Woollen*, as also the drinking so much *Wine & Rum, &c.* has been a great means of carrying off the [4] *Silver*, yet this is a Toppick easier to Speak to, than to redress; & is a Matter worthy of the Legislators care. And if the *General Court* should lend upon good Security, and without Interest, (only paying for



the making) great Sums of Bills for inabling Particular Men to carry on any useful and beneficial Works, and should give to others sufficient to Encourage them to set up useful and profitable Inventions or Trades, it would be not only some addition to the Running Cash, but also would prevent much of our Importation. And Encouragement to our Fishery would much increase our Exportation, whereby in time, the Difficulties we now labour under, would be abated. For till our Exportation exceeds our Importation, if *Silver* should happen to be brought into this Country, it could not abide here, but of necessity must be again Exported to pay the Debt contracted. But as a needful Expedient, and while other Methods can be taken, (the Country Bills failing, and shortning every Day more and more) several have been the Projections of Banks to supply the Defect.

The first proposed, is a *Private Bank*; wherein a number of Men of good Real Estates, entering their Names, and Subscribing for any Sum proportionable to the Security they can give in Lands, &c. take out perhaps half the sum Subscribed for, paying *Interest* for what they take out; the rest of the Bills to be let out to such as will hire the same upon good Security; a part of the whole *Interest* to be to Publick Uses, the rest to the *Bankers*; He [5] that Subscribes most to have most Voices, so that one Man may have 5 Votes in all Matters, with many other Articles.

This *Bank* seems projected more for the Advantage of the *Bankers*, than for the *Publick Good*: For (not to mention many other Objections) till we can be assured that not only the present *Bankers*, but also their Posterity, will always seek the *Publick* above their own *Private Advantage*; That Assurance can there be, that those Gentlemen

of 5 Votes a-piece, will not by joyning together, easily sway the Votes to their own Advantage; as by drawing out of great Sums to Monopolise not only Goods, but Provisions; with many other ways ruinous to the *Publick*?

The second Projection is; that the Country Emit *Bills* and let them out upon *Interest*, and upon good Security, which will bring in a large Revenue towards the support of the Charges of the Government.

This has likewise met with Objections; and till the *Throne* can be secured from a Prince of Arbitrary Principles in all times to come, such a *Bank* will be dangerous: For how easy will it be for such a *Prince* to divert such a large Revenue to his Use and Pleasure? If any think otherwise, they may consider the last 5 Reigns, and see if they can assure us, that any more than one of them would not have taken hold of such an Opportunity: For tho' (thanks be to Heaven) we have a King upon the Throne that Studies nothing more than the welfare of his Peo-[6]ple, yet all Men are Mortal, and as Changes have been in our Kindom of *England*, so no doubt may be again; and if a Prince of such Principles should ever Ascend the Throne, all the Laws to secure so large a Revenue, would prove but as *Spiders Webs*.

These two *Banks* which are level'd to raise a large Income yearly, which must also have many Officers, and a large Pension for their Service, are reciprocally opposed by both; neither of the two Parties, but can see danger in the others obtaining their ends.

A third Proposal has been, That the Country should make a competent Sum of *Publick Bills*, and lend them to the several Towns in proportion to their *Rates*, at 5 *per Cent* for 20 Years, in which time the whole being paid in, the

Principal to be to such *Town*, who may either let it out upon *Interest*, or purchase Lands with it for the use of the Town.

This third Proposal being without the Charge of great Officers and Salaries, and without the risque of *bad Bills*, or *Cheats*, yet answering the end proposed of supplying a Medium of Trade, and having none of the former Objections lying against it, may reasonably be accounted the most eligible, & every way preferable, rather than any of the two former, or than that of framing a new *Specie* of *Bills* founded upon the Mortgaged Lands; and all the Country's undivided Lands, which so long as any of those *Bills* were out, would bar the Country from settling one Town more; and (without the Country's Sanction) would involve the People in new Perplexities how to pay their Specialties for *Province Bills*.

[7] And it being supposed, that many that are rather for no *Bank*, yet joyn in some with one side, some with the other, in order to obstruct emitting of any; as best suiting their particular Interest: In which case a Fourth has been proposed, (*viz.*) A *Private Bank*, of a competent Number of Men in Business agreeing together, make *Bills* & give Security each to other to answer them; to let their Books lie open for any Man in the Province to Subscribe his Sum; and giving in Security sufficient, to take out what *Bills* he Subscribes for, without paying any *Interest*, only at taking out, to pay for the making, &c. and to be obliged in some Penalty to meet once a Year, and pay off the necessary Charge, &c. till a competent Cash be taken out, and then the Books to be shut up, and no more *Bills* Emitted, save only to change the defective, &c. Such a *Bank* might be

very Useful as a Medium of Trade, and would soon obtain in this Province, to be as good as the *Bills* of the other Colonies

'T is certain, *Banks* of what kind soever, cannot be (in our declining Circumstances) a compleat Remedy, but only may render us more Comfortable in our consuming Condition; as a Cordial to a Man in a deadly Disease, may be some Support till other Means can be used; for which Reason 'tis preferable to all *Banks*, that the Government Emit large Sums for promoting what may be Beneficial and of a general Good; (*ut sup.*) which will not only be a Supply of present Cash, but will also lay certain and stable Foundations of increasing the Produce of [8] the Country; which is the Interest and Wisdom of all Nations.

Such as lending large Sums upon good Security, without *Interest* for some Term of Years, (only paying for the making) for building a Bridge over *Charles* River, cutting a Channel at *Sandwich* for safe and more speedy Passage of Vessels, if those Works upon Mature Consideration shall be found Practicable. And here being both *Iron* Oar, and a plenty of Wood to work it, and this Country having great occasion for all sorts of Iron Work; it may be advisable to advance considerably in *Bills*, either by the way of *Loan* or *Gift*, to such as will undertake to set up a *Finery*, and cause it to Work to Effect; which would work the *Iron* better, and in greater Quantities; and with the help of which, *Pots & Kettles* might be made here for the use of the Country. To encourage which, the Duty laid in *England* upon Hollow Ware, would have no small Influence. True it is, here was a *Finery* in the beginning of Times at *Lynn*, which did not prosper, here not being then

a competent Number of People to manage them, nor yet to take off the Wares when made, tho' at half the Price now sold at. It ought not to be any Discouragement in the Undertaking, now both the quantity of Hands to work at it, as also to expend the Goods when made, are double: the Price they then were at, being also doubled.

And here being great occasion for *Nails*, & other small Works, which at present cannot be made at the price for want of a Slitting Mill to slit the *Iron* [9] into suitable Rods; (for it is found that 't is as much Labour to fit the Rods, as to make the Nails when the Rod is prepared) If the Country should give or lend a competent Sum to any that shall procure Workmen to bring such a Mill to work to Effect here, it would inable the *Smiths* to make a sufficient Supply of *Nails* for this Country. And if the Soldiers at the Castle had *Nailers* to instruct them, many of them might be employed in it, which would be a benefit to such Soldiers in their Health. This one Article of *Iron-Works*, which might be set upon for a few Hundreds, would soon save the Country some Thousands in a Year.

*Glass-works* might also be improved here, the Materials being all at hand, which in its several parts, as *Window-Glass*, *Beer-Glasses* and *Bottles*, would amount to a very great Sum; and a small Encouragement from the Country, would be sufficient to set it up here. The like may be said of *Paper* making, working upon *Horn* for *Combs*, *Ink-Horns*, &c. which with Encouragement, would save the Country very Considerable.

The improving the sowing of *Hemp* and *Flax*, is also a Matter worthy of great Regard; & is much obstructed by the inability of many to break up Land suitable. In which

case, it would be a good Encouragement to lend them without *Interest*, such a Sum as may enable them yearly to break up and Fence in 10 or 20 Acres for that Use. This would be of very great Service to the Country.

And tho' the Crown will always have a jealous [10] Eye upon any Increase of the *Woolen* Manufactory here; yet it will rather Encourage the working upon *Linen* or upon *Cotton* (as in *Ireland*) which with suitable Encouragement, is capable of a vast Improvement here, by making *Sheeting*, *Shirting*, & *Callico*es.

This Country being often liable upon a failure of Crops, to be bro't to Extremity for want of Grain; and when a time of Plenty comes, there are but few Buyers, whereby 't is often run down below a reasonable Price: To prevent both which Extrems, the erecting of Store-houses or Graineries, would be of singular Use: And if the Country advance some thousands for building of Graineries, for safe laying up of Grain, many in a time of Plenty, would lay up their Grain in them; and taking a Receipt for it may with it pay their Debts. (As is practised in *Germany*) It is easy to conceive, that this would be a very great Benefit to Trade, and that which *Holland*, tho' they have comparatively but little Grain growing, yet hereby are enabled in times of Scarcity, to supply not only themselves, but also the Neighbouring Nations.

Tho' this Country be large, and much good Land in it, which for want of People, cannot be improved in many Generations; yet a shame it is to say, This Colony cannot provide themselves necessary Food.

The Town of *Boston* is much increased of late Years by Strangers coming in; but the Country has not increased

answerably: But in stead of that, many are gone, and others following them, so that 'tis supposed, that in the last 12 Years, enough have [11] gone out of this Colony, to Plant 12 good Towns in *Connecticut* only; besides what have gone to other Places. The reason of the not improving the Country more, and also many going out, when here is want of double the Number we have, is a Matter worthy to be well considered.

In the first Setling this Country, Land was easy to be attained, and at a low price, which was an Inducement to multitudes to come over Servants: But now the Land being so generally taken up, few come over that can live elsewhere; so that Servants now brought, generally prove Run-aways, Thieves, or some way Disorderly: To avoid having of such, multitudes have rather chosen to get Slaves, tho' at excessive Price; which Practice, tho so directly against the Peopling the Country, is encouraged in stead of being remedied, even by the Laws of the Country. For he that is able to purchase a Slave, comes off in the Rates cheaper than his poorer Neighbour that has an Apprentice; tho' indeed in that hard and unequal Tax of *Polemoneys*, the Masters are made equal. But he that has an Apprentice, must pay more for him, than his richer Neighbour is set at for his Slave; & the poor Man's Apprentice must Watch & Train, and not only so, but in a time of War, must be Prest from him: All which his richer Neighbour is cleared from, besides his paying less in the Rates; to the encouraging of Slavery, and discouraging of the Poor, and consequently to the putting a full stop to the Growth of the Country: Slaves being a weakning rather than Addition to the Strength of a [12] Country. *Boston* alone is supposed to have 3 or 400 Slaves; which were there so many Servants in their stead,

enough would come out of their time yearly, to people a good Town.

These are some of the Hindrances of the Increase of the Country, for Remedy whereof, it is humbly Proposed, That the Country make such Provision, that Servants when out of their time, shall be entituled to 50 or 60 Acres of Land, & a Township appointed for them; and if others shall joyn with them in settling such Town, they to pay to the Country a moderate Price for Land, &c. such Township not to exceed 4 or 5 Miles Square; for the extravagant Bounds of Townships, is that which has occasioned great Quarrels among themselves, and also given a great deal of Trouble to the *General Court* about placing new *Meeting-Houses*, and the Bounds of Precincts. And such Township (if it may be) to have a Brook or River in it, proper for a *Grist-Mill* and a *Saw-Mill*, the *Meeting-House* to be set in the middle of the Township, and the Houses as near as may be to it. And as soon as such Township is filled up with Inhabitants, then to appoint another. And this would be the greatest Inducement to the coming over of Servants, and the greatest Means of Increasing and Strengthening the Country.

To effect which, if those Gentlemen that have Ingrosted vast Tracts of Land, without any design ever to settle them by themselves, Servants or Slaves, should Voluntarily throw up into the country's Hands, one half of what they have so Ingrosted, in [13] order to furnish Conveniences for such Settlements, they might be gainers by it in the other half.

Or if the Country should put a Rate upon such Tracts of Land as lie convenient to settle Townships upon, in order to make them willing to throw them up to the Country;



such yearly Rate would be more Justifiable, and more Equal, than to Rate a poor Man 10 s. that has much ado to live; those Estates being valued worth *hundreds of Pounds* by the Owners thereof, who keep them only in hopes that as other Places hereafter shall be settled, they may Advance upon the Price, yet Pay no Rates for them: And in the mean time their poor Neighbours must pay perhaps a greater Rate than would be put upon him in the most Arbitrary Kingdom in *Europe*.

Either of these two ways, with what Lands remain yet in the Country's Dispose, would soon furnish Land sufficient to supply Servants as they shall become Free, and supply others that they need not withdraw, &c. But if neither of these two Methods should be approved of, If the Country should Enact, *That as often as there should be occasion, a convenient Township be lookt out and Survey'd, and made sure to them, and such others as shall joyn with them, they after some Years to pay a quit Rent, in some Proportion to the former Value of the Land, to the Owners thereof when they shall have made out their Claims*; This would be so far from being a Damage, that it would be a Benefit to such Owners of Lands, by having an Income of that which if the former Methods continue, can hardly ever be settled.

[14] Some that are good Farmers, who observing that the Lands are so generally Ingrost, fear they shall not procure sufficient to settle their Children upon, have straitned themselves, and perhaps run in debt to buy Land, to the disabling them to improve the Lands they before had. For inabling such to improve their Lands, if the Country should lend 100 *l.* without Interest, upon Condition that in ten Years time they break up and Keep subdued 50 Acres of Land;

this would be a great Encouragement to them, and would much Increase the Produce of the Country.

And as to Slaves, as was before demonstrated, they are a great hinderance to the Peopling and Improving the Country: And the Proverb tells us, That *the Receiver is as bad as the Thief*; and that *if there were no Receivers, there would be no Thieves*: If those are true *Proverbs*, then are not we of this Country guilty of that Violence, Treachery and Bloodshed, that is daily made use of to obtain them; we rendring our selves Partakers with them in that Wickedness? (For 'tis not to be supposed, that these do voluntarily abandon themselves to be carried into a Foreign Country, and there to be sold for Slaves) If therefore the Country instead of many Laws they have made about *Negroes*, should Enact, That twenty Years hence there should be no Slave in the Country, it would hurt no Man, but would greatly Encourage Servants to come, and necessitate their being brought over, to the great Increase and Strengthening the Country.

And now if any shall object to what is said, in order to better the Proposals, for advancing the general Good of the Country; or shall add more with better Reasons to Enforce what may be said, they would therein do good Service to their Country.

But if they Object with design to hinder the Improvements hinted at from private and secret Views of their own, however they may esteem of themselves, are far from being true Friends to the Country. All wise civilized Nations make it a principal Part of their Care to Encourage the Produce of their several Countries, that so they may stand in need of the less from abroad, [15] And it being agreed

upon on all hands, that a Medium is wanting, and the *General Court* having pitch'd upon the Sum of 100000 £. to be Made and Emitted; The Question is, Whether it be best for the General Good, to invest all or Part of said Sum in the several Towns in Proportion; and with the remainder, or with other Money lent, (for 100000 £. will be found too small a Sum) free of Interest, to Particular Men, to be for the Advance of Husbandry, and bringing in of Arts and Trades that may be of vast Benefit to the Country (*ut sup.*)?

Or whether it be best to let it out to Interest to our Necessitous Neighbours, and thereby raise a large Revenue?

For Answer Can it be thought, that a little Use-Money should be a greater Benefit to the Country, than any or all the various Methods hinted at, or that might be thought of? One Branch of which, (*viz.*) that of breaking up of Land, and Improvements thereon, or that other Branch of Iron-work, would Yearly save the Country much more than all the Use-Money could amount to, (were it to come clear of all charges.)

Or can it be conceived, that a Committee, tho' well chosen, can Inspect the Title and Value of Lands in all the remote Parts of the Province, better than the several Towns can act for themselves? Or will the Sallaries of such Committees be so small, as to be less than if the several Towns have the Management for their own Advantage? Or can it consist with the Wisdom of a Religious People, even to force those to be *Usurers*, whose Judgment and Conscience is utterly against it; and for failure of paying Debt and Interest, to swallow up the Estates of their poor Neighbours?

Is not this what is abhorred by *Jews, Turks and Papists*; (*viz.*) To eat up their poor Neighbours by *Usury*?

Have the Laws of any Christian Nation ever approved of it, or any more than barely tollerated it? And have not ma-[16]ny of the Celebrated Divines in *England* declar'd it utterly Unlawful? And must this Country run Retrograde to all?

To Conclude; take the Words of the Law-Book, Title (*Usury*) which was Enacted when there was in the General Court, many wise Religious Men, and such as were of the First Comers; where after they have exprest, that none shall be adjudged more than *Eight Pounds* in the Hundred for Forbearance for a Year, adds, P. 153, these Words; *Neither shall this be a Colour or Countenance to allow any Usury among us, contrary to the Law of God.*

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## FINIS.

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### NOTE TO "SOME CONSIDERATIONS UPON THE SEVERAL SORTS OF BANKS," ETC.

Reference was made in the Introduction to the fact that these pamphlets from time to time revealed to us phases of the social and industrial life of the province which had not been brought out in full relief by our historians. This pamphlet and the one immediately following, "The present melancholy circumstances of the Province," etc., may be specially referred to as illustrating this proposition. They show not only what was being done, but what the colonists hoped might be done in the future.

It will be noticed that the author refers to the Fisheries as the "*N. E. Silver Mine*," and that he suggests as a means of keeping the silver in the province, the development of a number of public schemes, such as a bridge over the Charles River; a canal across the foot of Cape Cod; and the encouragement of private industries like foundries, nail mills, glass works, paper mills, the manufacture of horn implements, the establishment of cotton and linen mills, and in agriculture the growth of hemp and flax. He argues against the maintainance of slavery, "Slaves being a weakening rather than Addition to the Strength of a Country." He winds up with an argument against Usury concluding with a quotation of "the Words of the Law-Book," for which he gives a page reference. This enables us easily to identify the volume from which he was quoting, as "*The general laws and liberties of the Massachusetts Colony*," etc., Cambridge, 1672. The sentence which he quotes was originally embodied in the twenty-third section of the Body of Liberties.<sup>1</sup>

The pamphlet is a small one, and has only sixteen pages. The copy was originally obtained from the Boston Public Library<sup>2</sup> and was made use of in printing "*Tracts relating to the Currency*." The facsimile of the title-page was obtained from the same source and at the same time.

<sup>1</sup> Colonial laws of Massachusetts, 1672-1686, p. 39.

<sup>2</sup> A copy of this pamphlet is also to be found in the John Carter Brown Library, Providence, R. I.



*Porter  
Jul 12. 1719*

[ 1 ]

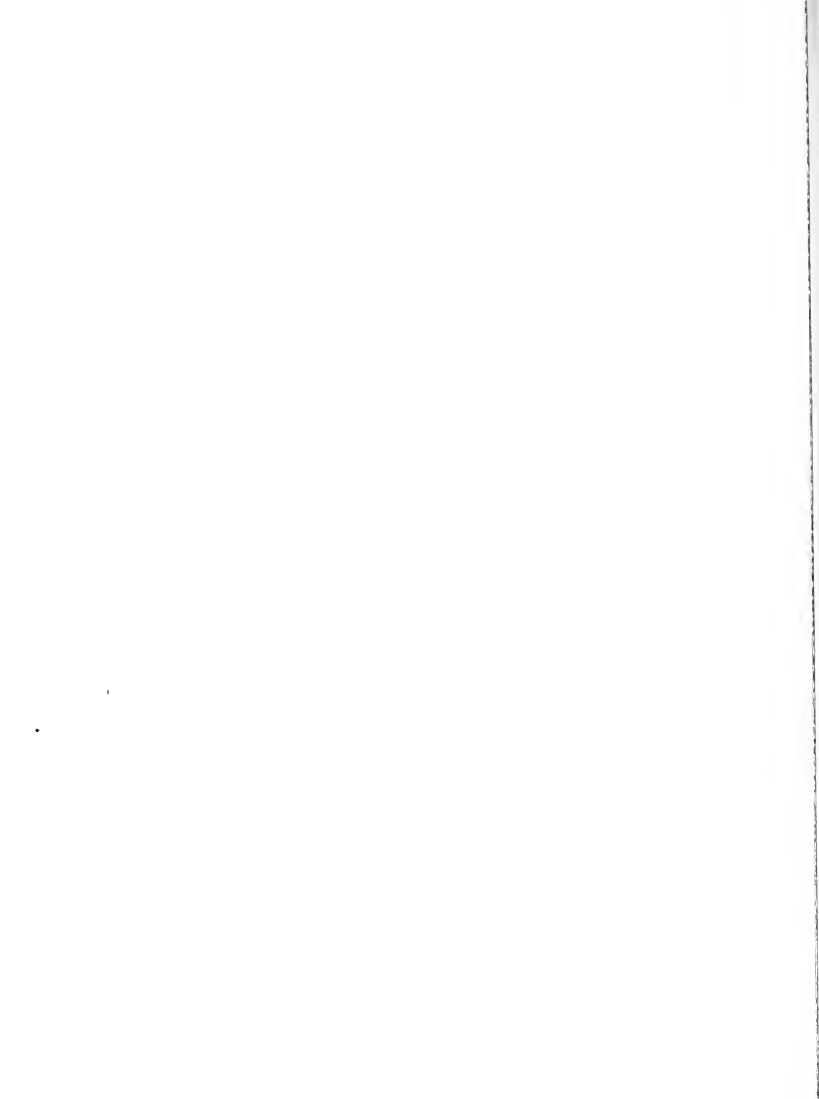
*Given 9<sup>th</sup> 1719*

The Present Melancholy Circumstances of the P R O V I N C E Consider'd, and Methods for Redress humbly proposed, in a Letter from one in the Country to one in Boston.

SIR,

SINCE our last Discourse about the uneasy threatening Circumstances of this Province, as to Money or a Medium of Trade; I have employed my thoughts somewhat in the matter, and I'll briefly hint some things that have occur'd to my mind.

Our Fathers that first settled the Province of the Massachusetts-Bay, brought some Gold and Silver with them; after a while, some Money was Coined here, as Shillings, Six-Pences, &c. but in process of time, even long before Silver Money was generally Exported, or carried out of the Province,) the greatest part of the passing Money here, was Sterling, viz. Coins of Eight, Six Pieces, Eight Pences &c. This Money I suppose was chiefly the *Kennedy* made for our Fish, Lumber, Horses, Grain, Beef, Pork, &c. Exported or carried out of the Country. I think this demonstrates, that in these times what we Exported of our own produce (or the fruits of





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OUR Fathers that first settled the Province of the *Massachusetts-Bay*, brought some *Gold* and *Silver* with them; after a while, some *Money* was Coined here, as *Shillings*, *Six-Pences*, &c. But in process of time, (even long before *Silver* Money was generally *Exported*, or carried out of the Province,) the greatest part of the *passing Money* here, was *Spanish*, viz. *Pieces of Eight*, *Half Pieces*, *Eight Pences*, &c. This *Money* I suppose was chiefly the *Returns* made for our *Fish*, *Lumber*, *Horses*, *Grain*, *Beaf*, *Pork*, &c. Exported or carried out of the Country. I think this demonstrates, that in those times what we *Exported* of our own *produce* (or the fruits of [2] our own labour), was more than what was *Imported* from other Places, either for *Food*, *Drink*, or *Cloathing*; therefore to make the *Ballance*, *Money* came in, and continued Circulating among us. In those times the Wealth of this Country

was on the *growing hand*. But of late Years, I'll suppose the *Twenty* last past, our *Silver Money* has been generally *Exported*, so that now there is not a *Penny* of it passing between Man and Man. Tho' I dont know exactly (nor I believe any one else) how much *Money* has been *Exported* this last *Twenty Years*, yet I'll now suppose it to be *Three Hundred Thousand Pounds*; and I'll suppose we have now about *Two Hundred Thousand Pounds* out in *Province Bills*; what's out in *Province Bills*, and to be Collected by *Tax*, the Province owes for, and is so much *in Debt*; what's out upon *Loan*, is owing for by *particular Persons* in the Province, so that the *Inhabitants* of this Province owe for the whole. Now if the guess I have made be exact, (which I don't pretend to) or pretty near it, then this *Province* in what is *spent* and what is *owed* for, are about *Five Hundred Thousand Pounds* sunk in their Estates, in about *Twenty Years*. If my guess be right in the *Silver Exported*, and the *Province Bills* now out, then the Conclusion I've drawn must needs be true.

BUT how comes it that we have sunk so [3] much in our Estates, in so short a time? If any think it occasioned by the *Wars* we have had in the last *Twenty Years*; I'm humbly of a different Sentiment; for we did *not hire Foreigners* to manage our *Wars*. This Province did not send away *Silver Money*, to hire assistance against *Indians* or *French*. My opinion therefore is, that our *decay in Wealth* is chiefly owing to our *Mismanagements*, especially our *Extravagance*.

WHAT is *Imported* into the Province, & *Spent* here, is, or should be *Paid for*; else we are *dishonest*, which does not become *Men*, much less *Christians*, as we are: And if the

Fruits and *Produce of our own Labour in this Province*, won't make a sufficient *Export* to pay for what we receive *from Abroad*, and *Spend* here; then the *Silver* goes to make the *Ballance*, and pay the remainder.

AND this is the very Case, the short and long of the Business. Our *Silver* is gone to pay the *overplus* of *Imported Goods*, above what our own *Product Exported*, could pay. Among the *Commodities Imported*, some are really *useful* for us, which we are not able to *raise*, or *make* our selves, some not at all, some not as yet, or not enough of it, as *Canvas, Riggin, Brass, Copper, Pewter, Tin-Ware, Glass* for Windows, *Sugar, Melosses, Cotton-Wool, Paper, Needles, Pins, Scythes, Sickles, Cutlary Ware, &c.* I suppose our own *Produce* (if we joyned *Prudence* and *Diligence* together) which might be *Exported*, would be enough to pay for all the *Imported Commodities*, which are really *needful* and *useful* for us.

BUT then many things have been *Imported*, which have *not been necessary*, yet very costly; such as *Silver and Gold Lace*, worn on *Cloaths* and *Shoes*, *Velvet, Rich Silk, Sattin, Silk Stockings, Fine Broad-Cloths, Camlets, Perriwiggs, Fine costly Shoes and Pattoons, Ribbons, Rich Lace, Silk-Hankerchiefs, Fine Hatts, Gloves* of great price and little worth, *China Ware*, very *Costly-Looking-Glasses, Cane-Chairs, Costly Beds & Furniture, &c.* We in the Country, think that *some scores of Thousands of Pounds* in late Years, have been spent by this Province in these things, and that the Province would have been much better without them. I don't now contend against these things as being *Unlawful in themselves*; but for us to send off our *Silver Money* to buy them, & now not have a Penny to pass between Man & Man

for our necessary business, I think has not been our *Prudence* but our great *Folly*.

POSSIBLY some will say, the fault is in the *Middling* or *Poorer* sort of People, who buy these things, and go *above their Ability*, in doing it. The reply is, Possibly it has been great *weakness* in the *Richer* sort to lead in these things, and *greater folly* in the *Poorer* to follow them.

[5] HOWEVER, its matter of Fact, that there's much *needless Expence* in sundry of these things, and tho' some *Richer* Persons or Families can bear the *Cost* of these Expences, yet *Poorer* ones (who too much affect them) can't; but whether such things are spent by *Rich* or *Poor*, its all one to the Province in general. For what's *Imported* and spent in the Province must be paid for by *Export* from it; and if the *Produce of our Labour* wont do it, our *Silver* and *Gold* must go (or rather is gone) to make it up.

AND as I'm humbly of Opinion, that this Province had much better have been without, many *scores of Thousands of Pounds* of fine costly things *Imported & spent* here; so I believe other things tho' *useful* in their *time & measure*, have been *Imported* and Spent in *greater Quantities*, than has been for our good, Such as *Wine, Rum, Brandy*, (not to mention *Tea, Coffee, Chacolet*, which People here formerly did very well without) that there has been much *needless Expence* in these things, I suppose none will deny. So far and so frequently as any have drunk to *excess*, the Sin of *Drunkenness* has been chargeable on them, which they should seriously and penitently consider of; but I'm now considering the matter, as to the *Cost* of such *Imported Liquors*. If *several Thousand Pounds Yearly*, are *needlessly* spent in these things, so many *Thousands a Year* we are hurt even

on this account, that our *Export* [6] does not (without sending off *Silver*) equal our *Import*. If out of our own *Produce*, a Cargo of *Staves, Hoops, Horses &c*, has for its *return*, a Cargo of *Wine or Rum*, and one *Third* of it is *needlesly* expended and wasted here; if instead of this *Third* needlessly spent, the return had been made in *Silver*, I think this might be call'd *double gain*. And since as to the *Cost part* (besides the *Sin* of Intemperance) we are much hurt by the *needless Expence* of *Imported Liquors*; I conceive that the *needless* multiplying *Taverns* and *Retailers*, tends further to impoverish us. For Persons thus *employ'd* think to get a *Living* by their *Business*, and so are for *drawing* and *vending* as much *Liquor* as they can, and its to be fear'd, criminally encourage others to buy; and the more is spent for what's *Imported*, the more must be *Exported* in one thing or other to *Pay* for it. And tho' some may think it a *Publick advantage* to multiply *Licences* for *selling of Drink*, to draw more *Excise Money* into the *Treasury*; yet I conceive it to be a *Publick hurt*, because our *Import* must be answered by our *Export*; and yet we have not enough of the latter to do it; therefore our *Silver Money* is gone. A *needless* multiplying of *Retailers*, whether of *Drink* or *Shop Goods*, is no advantage to the Publick. For if the same Goods are bought by *Ten Persons* one after another, with design to Sell again [7] before the Person buys them that designs to *wear* or *use* them; each of those *Ten Persons* aims at *Gain* in passing thro' his hands, and the *last* buyer and *user* pays it all; whereas if he had bought it of the *first* or *second Seller*, he might have sav'd the *gain* which the other *Eight* or *Nine* Persons had, and those Persons might have been employed in other Business. For tho' in this case supposed, the

*Eight or Nine needless Retailers*, get some gain to themselves, and the last *buyer* and *user* pays it all, yet the *Province* or *Publick* is not enrich'd *one Farthing* by their labour. If they had been employ'd in *Husbandry* or *Handycraft-Business*; there would probably have been some produce of their labour for the Publick Good; either *Grain*, *Cattle*, *Hemp*, *Flax raised*, or *Cloath*, *Shoes*, or *Utensils* made, which might be serviceable to themselves or others; but their *meer handing of goods one to another*, no more increases any Wealth in the Province, than Persons at a *Fire* increase the *Water in a Pail*, by passing it thro' *Twenty or Forty hands*. This matter might be considered, as to *Petty Shops*, especially *Hucksters* and *Forestallers of the Market*. I would not be thought here to condemn *Retailing* in general, for doubtless Persons may get an *honest Living* by it, and those who *buy* of them may be *gainers* too, by having the Commodities brought *nearer*, which prevents the *Time* and *Expence of travelling* farther for them. It's therefore only [8] a *needless Retailing* (whether of *Drink* or other *Commodities*) which I look on as hurtful to the Publick, because the Persons so employed, really *raise or produce no good to the Publick*, which they might do if labouring in some other and proper business. *Needless Retailers*, with respect to any Publick benefit, are really *Idlers*; they help to spend what is *Raisea* or *Imported*, but produce neither by their labour.

Thus I've hinted by what way and means I conceive our *Silver* has been *Exported*, and we are sunk so *deep in Debt*, viz. by *Importing* and spending many things which we had better been without; and by an *excessive spending* some things *Imported*, which in themselves consider'd, and in their *time and measure* may be reckon'd *useful*.

Now the Question is, How to *redress this grievance, & extricate our selves from these difficulties*. I think this Question is not improper to be thought upon, by any one that wishes well to this Province, as I'm sure I heartily do. My Opinion is, that we can't suddenly or at once get rid of these difficulties, which our own *Folly and Extravagance* have brought us into. Yet I Conjecture, that in a few Years time, by an ordinary course of Providence we might gradually free our selves from them. When a *Traveller* knows he has missed his way, he often goes back in the same Path, 'till he's sure that he is in the right [9] road again. I think we should take the same method. In the mean time, let us Cultivate *Peace, Love, Unity*, not be hard on one another for different sentiments, about ways to mend our Circumstances; let us not foment *Parties and Factions*, but studiously avoid them, as we love GOD and our COUNTRY, *Every City or House divided against it self, shall not stand*. Thus watching against Discord, I'll say, Let not Merchants *Import needless Commodities*, or if they do, let us *not buy or use* them; nor use *more than needs* of what is *useful* in it self.

LET no *Wool, Hides, Leather, Grain* nor *Candles* be *Exported*, when at a dear price. Let us grow more *Frugal* in *furnishing & adorning* our Houses, in our *Cloths, Food and Drink*, this we might do (many at least) without hurting our Bodies by *Cold, Thirst or Hunger*. Let us be diligent and laborious, to *raise, produce, make* as much as we can for our own support, as to *Food, Raiment, Tools, Utensils*. Let *Husbandry*, (tilling the ground) be more diligently and generally followed, that *Bread and Flesh* may be rais'd, and *Barley* to make *Drink*, that so the less *Imported Drink* might be called for. Let us raise more *Sheep & Flax*, and

make as much of our own *Clothing*, both *Woollen & Linnen* as possibly we can. If People would generally & *purposely chuse*, to wear *Cloths*, (*Woollen & Linnen*) *Stockens*, *Shoes*, *Gloves*, *Hatts*, of our own Country make; this would *incourage* more to [10] *Employ* themselves in *making these*, & in growing more *skilful* and *exact* at it, and would prevent the *Import* of many Thousands a Year, for which (among other unnecessaries) our *Silver* is gone. *Two Rules* well observed would help us, viz. Let us by diligent labour *raise & make* as much as we can for our selves, of *Food*, *Raiment*, *Utensils*, &c. and buy no more of *Imported Goods* than *necessity* requires, I say, the observing these Rules would soon *turn the Scales*, and better our Circumstances: I'm humbly of opinion, that a Thousand Schemes about *Banks* and *Paper-Money*, would not help us like this. If this course were well followed a few Years, we should then live more on our *own Produce*, than now we do; we should *raise more* for *Export* than now we do; and our *Export* in *Fish*, *Oyl*, *Whalebone*, *Horses*, *Lumber*, &c. would far more than pay for *necessary Importations*, and therefore the *overplus* would naturally (as it were) return in *Silver* and *Gold*, and so we should have *such Money* as plenty as ever. But the longer we continue in our *present course* of spending so much of *Imported Commodities*, and *raising so little by our own labours*, so much the deeper we necessarily sink into misery. By this present course we are in, we take off the *Manufactures* and *maintain the Labourers* of other parts, even as far as the *East Indies*, (by the *Silks*, *Muslins*, &c. we have from thence) and *pay* for it (so far as 'tis [11] done) not out of our *Labour*, but our *Stock*, for our *Silver* is gone already, & we are deep in debt into bargain. Our foolish *fondness of Forreign Commodities*



& *Fashions* has almost ruin'd us. How many Thousand Pounds within this Two or Three Years have been Expended, in only one particular instance, viz. *Camlets* and *trimming* for *Riding-Hoods*, and in *making* them? Has not *Three Quarters* of this, if not more, been *needless*; tho' the labour in *making* has been paid for here, yet the *Imported Materials* must be paid for by some *Export*. If we had now *Five Hundred Thousands Pounds in Silver Currant* among us, I believe 'twould soon be carried off, if we did not alter our present course, viz. to be *less fond of Foreign Commodities*, and to be *more laborious to raise Necessaries for our selves*.

WE in the Country think, that *Plotting heads*, *Proud hearts*, and *Idle hands*, will never maintain a People; and that a close following the *Wheel* within doors, and the *Plough* without are much better and stronger Politicks. Many complain they *scarce know how to live*, and I don't wonder at it, for many affect to live *higher* than they *need*, or can *bear*. You in *Boston* go *very fine*, we in the Country are smattering at it, and coming to it, by degrees. First by *clipping and debasing Silver Money*, then by *sending it away*, and the coming of *Paper Money* in the [12] room of it; I say, hereby *Merchants Imported Goods* are come to an *Extravagant Advance*. When we buy *European* or *West-India* Goods, we give for some *double*, for others *more than double* the Price that was given *Fifteen* or *Twenty Years* ago. This necessitates us in the *Country*, to *raise in some proportion* the Price of our *Grain*, *Flesh*, *Wood*, *Hay*, *Butter*, *Cheese*, &c. We formerly Sold *Butter*, *Six pence a Pound*, that *Six Pence* would buy *Two Pounds of Sugar*, and if we now have *Nine pence a Pound for Butter*, that *Nine Pence* will buy but *One*

*Pound of Sugar*, or thereabouts. So that when we receive so great a Price as we do, yet we find it hard enough to rub along; and the more so, because *Boston distemper* is got into the *Country*, that is, *We* and our *Families* are fond of many *needless Imported Commodities*, and must pay the *Importers* or *Merchants* an Extravagant rate for them. If this *raising on one another* in Trade, *helps* some, yet it *hurts* more.

ANOTHER thing which very much deserves our consideration is, That *Salary Men*, *Ministers*, *School-Masters*, *Judges of the Circuit*, *President & Tutors at Colledge*, *Widows* and *Orphans*, &c. are pinchd and hurt more than any; for while they pay it may be double or more, both for *Imported Goods*, and the *Produce of the Country*, yet their *Salaries* are not increas'd (if at all) *in proportion* to what the *Merchant* and [13] *Husbandman* raises upon one another, tho' they must buy of *both*. If Justice and Equity don't say, their *Salaries* ought to be increas'd let any one judge.

BUT possibly some will say, if we do our utmost to *raise necessities for our selves*, and buy no more than *necessity* requires of *Imported Commodities*, this course will spoil *Merchandizing* and *Trading*. I reply, the good of the whole should be preferred to that of a part. *Merchandizing* and *Trading* are necessary and *profitable* for us, if well manag'd; but mismanagement therein, may hurt a People. *Trading* has carried off our *Money*, we have not a *Shilling* in *Silver* passing, and we are deep in Debt; has not *this Trading* almost ruin'd us? Is not this, to *buy and sell and live by the loss*? It is not profitable to the Publick, to have *too many* of any *particular Trade or Calling*, for they must either be *idle* (when they might be employ'd in proper business) or

labour *for little or nothing*, which is unprofitable to themselves, and to the Publick therein. If there be Merchants enough to manage the *Export* we can *raise* and the *Import* we *need*, there's enough; *Supernumeraries* are *hurtful* not *serviceable* to the Publick; 'twould be better they were employ'd in other business.

POSSIBLY, some think, that the Emitting *more Paper Money* would bring us out of our [14] difficulties, but I'm humbly of another Opinion. I think some engaged in Trade have observ'd, that since the Emitting the *last Hundred Thousand Pounds*, the *Price* of Commodities *Imported*, and of our own *Produce*, has been considerably *rais'd*; which is not so much from the *scarcity* of such *Commodities*, as from the *mean opinion* Persons have of the *passing Money*. The last I have heard is, that when *Silver Money* is Sold (now and then a little as some can get it) it fetches *Eleven* or *Twelve Shillings* an *Ounce* in *Paper Money*; whereas according to our *Law* (*Seventeen Penny Weight at Six Shillings*) *Silver Money* is but a very small matter more than *Seven Shillings* an *Ounce*. This plainly shows the *low value* People have for *Paper Money*. It seems as tho' the more 'tis *increas'd* the *less 'tis valued*. I'm prone to think, that if *every Family* in the Province, had a *Thousand Pounds* in *Paper Money*; *Twenty Shillings* of it, would not then buy so much, as *Five Shillings* will now. In this Province, People generally desire to be *Freehold*, they don't chuse to be *Tenants*, and *pay Rent*. But if we *take up Money* whether of the *Province* or *particular Persons*, on our *Lands*; we so far become *Tenants* to the *Lenders*, and *pay Rent* to them. And if we can't pay when what's borrowed is regularly call'd for, but a *Course of Law* recovers *Land* from us; pos-

sibly *more Land* will be taken, then we should have [15] been willing to have Sold, for *half so much more* as we have *borrowed*. Possibly some who have *taken up Money on their Lands*, by being incapable of paying will *lose them*; *Frugality* and *Diligence* would have been a greater kindness to such, than their *hiring Money* was.

THIS (out of true love to my dear Country, where I was born, and hitherto have liv'd, without ill will to any Person or Persons whatsoever,) I've freely given you some hints of my Opinion, about our present uncomfortable Circumstances; you may consider 'em and communicate 'em to your Neighbours if they'l do any good. If you see meet to return your own thoughts to me in Writing, I should be glad of your Opinion as to the following Queries, viz.

IF *Richer and Abler Persons and Families*, would abate considerably of their *Rich needless fineries, and costly way of living*; therein giving a *leading Example* to Inferiors?

IF needless Extravagant Expences at *Weddings & Funerals* were retrench'd; and no *Gloves* but of our own make, given at either; nor *Drink* at Funerals but of our *own produce*; nor *Scarves* but for Persons of some *distinguish'd rank*?

IF *Counsellors, Ministers, Military Commission Officers*, would *purposely* wear *Garments, Shoes, Stockings, Gloves, Hatts*, (as soon as they can get 'em) of our *own make*?

IF considerable encouragement were given [16] by the *Publick* for the *Raising and Manufacturing of Hemp and Flax*, especially that the *Poor* in *Town and Country* might be *Employ'd*; and for *Manufacturing of Iron*, (whereof there is plenty of *Oar* in the Land,) especially in Casting *Potts, Kettles*, making *Nails* of various sorts, &c.?

IF *Waste Lands* within Townships were *Tax'd*, to make the Owners themselves *Improve* 'em, or *Sell* 'em to those that would, for the producing *more plenty* of *Grain, Flesh, Butter, Cheese, Wool, &c.*

WHETHER these Methods would not be of Publick Service ?

BUT as to my own Opinion, 'tis in short what I said before, to *raise what we can* by our own labour, to supply our selves, and to buy no more than *necessity* requires of *Imported Goods*, is the most sure way to relieve us.

*March 6th. 1718, 19.*

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BOSTON: Printed for B. GRAY, and J. EDWARDS, at their Shops on the North and South side of the Town-House, in King-Street. 1719.

NOTE TO "THE PRESENT MELANCHOLY CIRCUMSTANCES OF THE PROVINCE CONSIDERED," ETC.

The opening paragraph of this pamphlet begins with the words, "Since our last Discourse Concerning the Threatening Circumstances of this *Province*, as to *Money* or a *Medium of Trade*." To what does the writer refer ? The only publication with which we have met that could possibly serve for the reference, is the next preceding pamphlet, "Some considerations upon the several sorts of Banks propos'd as a Medium of Trade," etc., and at first sight we should be disposed to reject the idea that these two pamphlets could be written by the same person. The one advocates the emission of bills, whether private or public, as a means of developing the industries of the province, the other spurns "Banks and Paper money." Yet a careful analysis of the two shows that they might possibly have come from the same pen, the modifications of the opinions expressed in the second having been brought about through the lesson taught by

the influence upon the prices of silver and commodities of the £100,000 loan in December, 1716.

"Some considerations," etc., was written in the year 1716, after the amount of the proposed emission was fixed, but evidently before the loan was actually launched. The writer of that pamphlet is discussing an existing condition of things, and in suggesting remedies he is confined to such as are within the horizon of his vision. He has not reached the point of view which would show that the deplorable condition of affairs is to be charged to the excess of the circulating medium itself. He is opposed to the public bank because it puts too much power in the hands of rulers, and to the private bank because it will be managed as a source of gain to the subscribers. Yet he is willing to emit bills indefinitely, whether public or private, provided they do not bear interest, and provided they shall be applied to the promotion of beneficial enterprises in the province. Of the £100,000 loan itself he says it is not large enough, and he thinks it ought to be lent without interest for the advance of husbandry and the bringing in of arts and trades. He asks, "Can it be thought that a little Use Money would be of greater benefit than this?" In the construction of his pamphlet he begins with the colony on a silver basis and briefly follows the conditions down to the substitution of paper money. This he ascribes to the excess of imports over exports. His remedy consists merely in more bills, to be spent in encouraging home industry.

"The present melancholy circumstances," etc. was written after the effects upon prices of the £100,000 loan were fully appreciated. "I think," says the author, "some engaged in Trade have observ'd, that since the Emitting the *last Hundred Thousand Pounds*, the *Price of Commodities Imported*, and your own *Produce*, has been considerably rais'd." Like the preceding pamphlet this begins with a statement as to the silver in circulation in early days, where it came from and how it came about that it disappeared. The explanation for this was the same as that given in "Some considerations," etc.,—the excess of imports over exports. The remedy, however, differs materially. The writer of 1719, with the lesson of the loan of 1716 staring him in the face, could not advocate the development of industries

through the indefinite emission of bills of credit. His proposition, therefore, is for the people to boycott imported goods as far as practicable and restore the conditions which would render possible the influx of silver.

There are certain points of resemblance in the pamphlets, in construction and in style. The writer of "Some considerations," etc., says "it is humbly proposed," etc. The author of "The melancholy circumstances," etc., is twice "humbly of Opinion," once "humbly of another Opinion," and once "humbly of a different sentiment."

Both pamphlets contain considerable information as to the trade of the province and the character of the imports, the second being especially full. The one thing that militates against the probability of the two being by the same person is the antagonistic attitude on the question of the emission of bills of credit. If the experience acquired through the £100,000 emission of 1716 would not justify so complete a change in the attitude of a writer, then the conjecture that the two pamphlets may be by one and the same person can not be entertained.

The pamphlet was perhaps when untrimmed a 16mo. It has 16 pages, and the copy was originally obtained for "Tracts relating to the Currency," etc., through the courtesy of the Massachusetts Historical Society.<sup>1</sup> The facsimile of the first page was procured at the same time. The leaves now measure  $5\frac{5}{8}$  by  $3\frac{5}{8}$  inches.

A glance at this facsimile will show that J. B., the owner, acknowledged in writing April 19th, 1739, that the pamphlet was given to him by J. C. Who were J. B. and J. C.? Mr. Julius H. Tuttle easily identifies the initials J. B. as those of Jonathan Belcher. Who else than John Colman could J. C. have been?

<sup>1</sup> The Boston Public Library and the Library of Congress each possess a copy of this pamphlet.



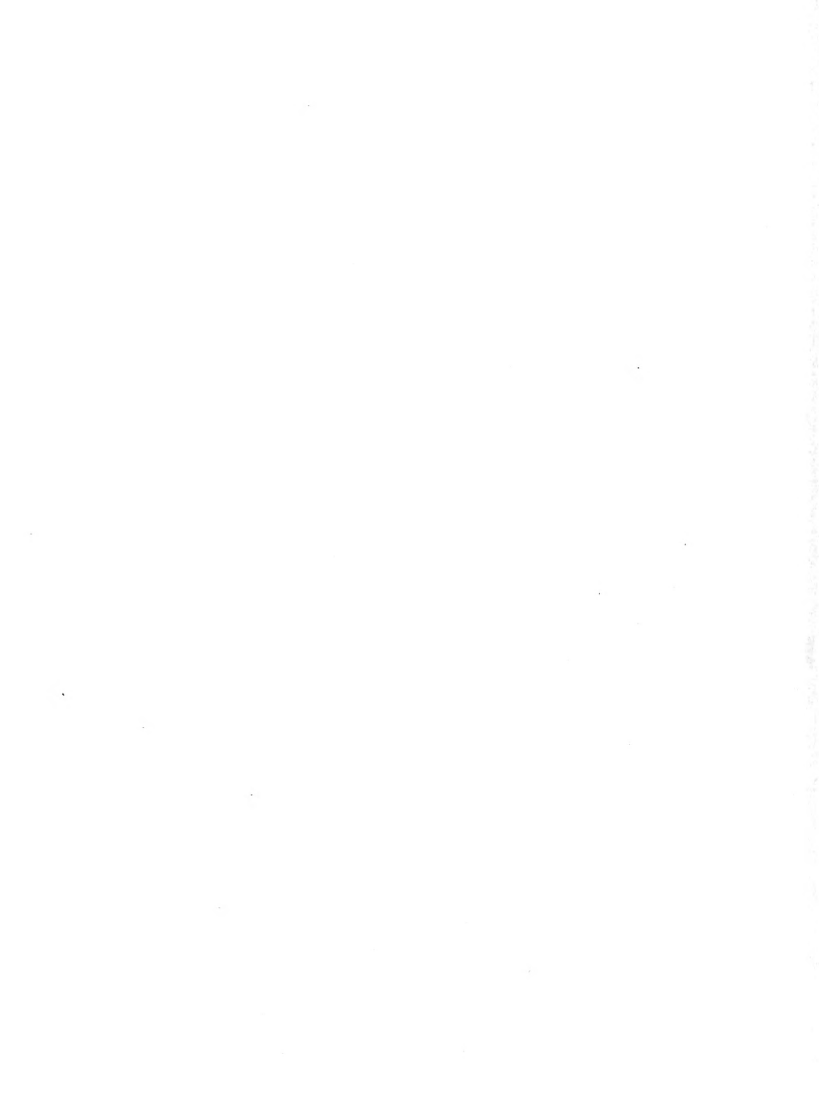


## An Addition

to the *Political* & *Economic* Cir-  
cumstances of the PROVINCE  
Considered, &c. *March 6th.*  
1718, 2. *Containing Considerations*  
*about Trade, Commerce, Money,*  
*Notes, or Bills of Credit.*

**L**ASTLY, we have seen, that our comfortable  
Living in this World, has not only consist  
of *Material* Goods, as well as *Rational Im-*  
*mortal* Souls. Our Comforts are such, that  
*Houses* as well as *Food & Raiment* are  
useful for our Subsistence. *Houses* are usually made of  
*Wood, Stone, Brick, &c.* many parts of them all; *Nails,*  
*Planks, Glass* for *Light*, &c. are also used in making a  
comfortable Habitation; Now it is obvious to every think-  
ing Person, that much *Work or Labour* (as well as *Cost*)  
is useful to *fit & prepare* these *Materials*, to collect  
them together (some are often *Transported* very  
far) and also to *join* and put them together; *Hard La-*  
bour is absolutely necessary, in *Building* a *Convent*  
*Wall*; and often also in keeping it in *good repair*;  
at thro' the *Idleness* of the *Hands*, the *Flour* may not  
pass through.

I alone





# *An Addition*

To the Present **Melancholy** Circumstances  
of the PROVINCE Considered, &c. **March**  
6th. 1718,9. Exhibiting Considerations  
about *Labour, Commerce, Money, Notes, or*  
*Bills of Credit.*

**L** *ABOUR* is needful in order to our comfortable  
Living in the World. Inasmuch as we consist of  
*Material Bodies*, as well as *Rational Immortal*  
*Souls*. Our Constitution is such, that *Houses* to  
dwell in, *Food & Raiment* are needful for our Sub-  
sistence ; *Houses* are usually made of *Wood, Stone, Brick,*  
*Lime*, or partly of them all ; *Nails, Hinges, Glass* for Lights,  
&c. are also used in making a comfortable Habitation ; Now  
its obvious to every thinking Person, that much *Work or La-*  
*bour* (as well as *Cost*) is needful to *fit & prepare* these *Mate-*  
*rials*, to collect and get them together (some are often  
*Transported* very far) and also to *joyn* and put them together ;  
Hard *Labour* is absolutely necessary, in *Building a Conven-*  
*ient Dwelling* ; and often also in keeping it in *good repair*,  
that thro' the *Idleness of the hands the House may not drop*  
*through.*

[2] *Labour's* as needful to procure *Food* for our Bodies. As to the *Grain*, our *Bread* is made of, whether *Wheat*, *Rye*, *Indian Corn*, &c. how much *Labour*, is there to *Fence & Plow* the Ground, *Sow* or *Plant* the *Seed*, *tend* it, *reap* or *gather* it, *Thresh*, *Grind*, *Bake* it before it becomes *Bread*? The *Flesh* we eat, whether *Beaf*, *Pork*, *Mutton*, &c. how much *Labour* is there to *Raise*, *Tend*, *Feed* *Cattle*, *Hogs*, *Sheep*, before their *Flesh* becomes proper *Food* for us? As to *Fish* though we are at no pains to *raise* them, yet we are to *catch* them, with *Hooks*, *Nets*, &c, and often to *split*, *salt*, *dry* them before they are fit for our *Food*, or at least fit to be *kept* any time without *rotting* and *perishing*. So as for *Roots*, *Turnips*, *Parsnips*, *Carrets*, &c. And as for *Orchard Fruits*, *Apples*, *Pears*, *Peaches*, &c. much *Work & Labour* must be employed, to produce such Things as these for the nourishment of our Bodies.

*Labour's* also as needful to procure *Cloaths*; the greatest part whereof is commonly made of *Sheeps Wool*, *Cotton Wool*, *Flax*, *Hemp*, *Silk* (that's first Spun fine by the *Worms*) *Skins* of Beasts for *Shoes*, *Gloves*, &c. As to *Sheep* there's *Labour* to *raise*, *tend*, *feed* them Winter and Summer before their *Wool* is come to its full growth, and then, how much *Labour* in *washing*, *shearing*, *carding*, *combing*, *spinning*, *weaving* (or *knitting*) *fulling*, *making* before we put it on our Bodies to *wear*? As to *Flax* there is *Labour* in *sowing*, *pulling*, *dew-rotting*, or *water-rotting*, *breaking*, *hatchelling*, *spining*, *weaving*, &c. before we use it for *Cloathing*.

These few and brief Hints plainly show, that much *Work* or *Labour* is absolutely necessary to our comfortable Living in the World. The Wise Creator and Governour of all

things has *fitted* and *adapted* Man for *Work* and *Business*, besides the rational Endowments of his Immortal Soul, he has *Feet* for walking & *Hands* for working; that when *the Sun ariseth*, he may go forth to his work & labour till the evening: he should work [3] while it is day. As God has *fitted* Man for *Work*, so he has rendred his *working* absolutely needful for his own *Support* and *Comfort*; and has likewise said, *Six Days shalt thou labour, and do all thy work: Do your own business, work with your own hands that ye may have lack of nothing; if any will not work neither should he eat.*

These Things being so, I dont see how we can possibly excuse our selves, or have solid peace in our own Breasts, if we indulge our selves in *Idleness*. If some have such *Estates*, that the *Yearly Income's* enough to maintain them, yet since they have the *same Powers* and *Capacities* for *Business*, and are under the same *Supream Law* with others, they seem inexcusable if they *wrap up their Talent in a Napkin*, for they should be *good Stewards* of the Abilities betruſted with them. The greater *Estates* they have, the more they're indebted to Divine Providence, and should make grateful returns by vertuously imploying betruſted Abilities; yet as they have *opportunity they may do good to all Men*, and become more able to *give to him that needeth*. But *Idleness* seems to be a double aggravated crime in those, whose honest *Incomes* can't maintain them. If they *can Work* and *won't*, they may well be counted *Publick Nuisances*, for in the *Victuals* they eat and *Cloaths* they wear, they really live on the *Labour of others*, yet make them no recompence for it: whether this may be styled *open Injustice* or *secret Theft*, I'll leave to the ingenious to decide.

God's *Authority* and Mens own *Necessities*, makes *Work* and *Labour* absolutely necessary for them. Therefore Children should be Educated (not only in religious Learning but also) to *good Business*, for they should be *trained up in the way wherein they should go*. *Idleness* should be indulged by none, but *Diligence* in proper Business, (which by God's Blessing makes rich) should be exemplified in all; the more there is of such *Diligence* among a People, so much the more 'tis (ordinarily) for their own Support and Comfort. So far as [4] we are thus *Industrious* we are obedient to God, profitable to our selves, useful to our Neighbours, advantagious to Posterity, but *Idleness* is the reverse of all these. If *Sense* and *Duty* and *Interest* wont, I believe *pressing, pinching necessity* will make some more *industrious* than they used to be. Yet to prevent mistakes, I'll say, there is a great variety of Work needful for the good of Humane Persons and Societies; besides *Plowing, Hewing* or an *immediate laborious working with the hands*. The studying of *Languages, Arts, Sciences, Divinity, Physick, &c.* and the employing the skill or knowledge obtained by such Study, may greatly promote the *Glory of God*, the *Persons own benefit*, and the good of those he is concerned with. This is true as to *Ministers, School-Masters, Physicians, &c.*

From these Hints about LABOUR, we pass to consider something about COMMERCE, by which I here understand all manner of *Exchange* in dealing; whether we Exchange *Money* for *Goods, Victuals, Labour*, or Exchange one sort of Goods for another, or Labour either for Labour or Wages. All such Exchange I here comprehend under the name of *Commerce*, and such Commerce is absolutely

necessary for the good of Humane Societies. Tho' an *House, Food Raiment*, are needful for my comfortable Subsistence, yet I can't be supposed to be equally skilled in making, raising, and providing these various and different necessities. A Great variety of *Arts, Skill, Labour*, and a great number of Persons is ss needful ordinarily, to furnish so much as one Person with what is proper, for his *Habitation, Food and Raiment*. Such is the scanty narrowness of our Capacities, that generally much Use, Habit, Custom is needful to render a Person truly skilful or accurate at any one sort of Business. Common sayings declare, that *Use makes perfect. Experience is the best School-Master*. Studious Diligence in a *Particular Calling*, generally makes a Person skilful at it; the more Skilful, so much the faster [5] and better he can Work. The better he Works, so much the more profitable to him that buys and pays; and the faster he Works or the more he does, so much the more profitable 'tis for himself.

Every Person therefore should endeavour to be Skilful and Accurate at some suitable and proper Work or Business, that thereby he may be able to manage an honest *Commerce* with his Neighbours, and may make a just recompence for the various benefits he receives from them. For instance, if a *Shoe-maker* with the *Shoes* he makes, honestly pay one for the *Leather*, another for the *Thread* he works up, another for the *Food* his Family eats, another for the *Cloaths* they wear, &c. herein he manages an honest *Commerce & Exchange* with those he is supplied or benefited by. Or if he Sells his *Shoes* for an honest price in *Money*, & with that Money pays particular Persons he deals with, and also Publick dues to *Church and State*, &c.

herein still he manages an *honest Commerce*. And I think some *Commerce* of this general Nature, must be managed by every one that would live honestly. When do we eat one *mouthful of Bread*, or put on any *Raiment* whether *Woolen* or *Linen*, but that several Scores of different Persons have been employed more remotely or immediately, to raise and prepare the same for our use? And when the Labour of so *many* is employed for *my* benefit, if *my* Labour (or the produce of it) be not immediately or remotely an equivalent benefit to them, I am then unjust and dishonest to them; for why should I be benefitted by their *Labour*, without making a just return in being some way or other as serviceable to them as they are to me? If we (being able) do'nt do at least as much good to Mankind, as we receive from them; then we are Debtors to our Neighbours, and unjust in our Conduct to them.

Inasmuch as we should desire to benefit others, as well as be benefitted by them; therefore we should not Sell our Labour or the produce of it, for more than 'tis [6] worth, according to the Rules of *Justice* and *Equity*: nor should we desire to have our Neighbours Labour, or the produce of it, for *less* than the *just Value* of it. Therefore to Sell as high or dear, and Buy as cheap or low, as possibly we can, is no good Rule for Christians to go by: *for we should love our Neighbours as our selves, & do as we would be done by.*

Among the many *Products* of *Humane Labours* some are looked on as *necessary*; others as being chiefly for convenience, ornament or delight. It's as plain that we should prefer *Necessaries* to what is only for Ornament, or to please the fancy. *Raiment* is necessary for us, tho' this or



that particular *Mode, Cut, Fashion* or *Trimming* is not so. Its criminal therefore if thro' *Idleness* we neglect to provide necessaries for our selves, or Families; its criminal also, if we employ so much of our *Labour* or the *Produce* of it, in getting Things for Ornament or Delight, as to pinch or straighten our selves as to *Necessaries*; or render us unable to pay our just Debts. On the other hand, it's more noble to be employed in serving and supplying the necessities of others, than meerly in pleasing the fancy of any. The *Plow-Man* that raiseth Grain, is more serviceable to Mankind, than the *Painter* who draws only to please the Eye. The *hungry* Man would count fine Pictures but a mean Entertainment. The *King himself is served by the Field*. The *Carpenter* who builds a good *House* to defend us from Wind and Weather, is more serviceable than the curious *Carver*, who employs his Art to please the Fancy. This condemns not Painting or Carving, but only shows, that what's more substantially serviceable to Mankind, is much preferable to what is less necessary. Doubtless *Nebuchadnezzers* Politick's led him to think so, when to *weaken the Jews*, he carried from them not only the *Princes & Mighty Men of Valour*, but also the *Carpenters* and *Smiths* whose Occupation was very necessary & useful to humane Society.

[7] Indeed when a People grow numerous, and part are sufficient to raise necessaries for the whole, then tis allowable and laudable, that some should be employed in *Innocent Arts* more for *Ornament* than *Necessity*: any innocent business that gets an honest penny, is better than *Idleness*. If some do *nice, curious* works in *Gold, Silver, Brass, Iron, Linnen, Silk &c.* and others whose Estates will bear it pay them for their *Labour* and buy what they make, this is much better

for the *Publick*, than that any should be idle: This yields the greatest satisfaction to me, as to many unnecessary Niceties and Curiosities in *building, adorning furnishing of Houses*, in making fine costly *Gardens, Cloaths &c.* that hereby the *Poor* are *imployed and maintained*, when they could scarce *find work and get a living*; if no business was done amongst mankind, but what is in its own nature necessary to provide *Habitations, Food and Raiment*: If the Rich thus pay for such needless Curiosities, chiefly to *imploy and maintain* the *Poor*, its noble and generous in them, better than if they had given them the Cost thereof for nothing: but if chiefly to gratifie their own *pride*, its *criminal in them*. Yet observe, if we are rich and able; its better to imploy and maintain the *Poor* among *our-selves*, than those in *foreign parts*.

And we had better give something to those that cant work, and to educate *poor Children &c.* than to be lavish in buying of needless curiosities for our-selves.

But truly our Country is not yet of that *Age*, People not so numerous, nor we in such plentiful circumstances, as to require that many (if any) should be imployed in niceties and curiosities. Tho' God has given us a good Land, a very good Countrey for those that will be industrious, yet it is a *Northern Climate*, the winter so long and cold, as to make much diligent Labour necessary to provide *Dwelling, Food and Raiment*, tho' curiosities are neglected. We should therefore Exercise our-selves, and incourage one another in imployments [8] directly tending to supply our necessities, and promote our comfortable subsistance.

In *Commerce* to be managed by a *private Family*, do's not prudence direct us, that we should sell or part with what we

can best spare, and receive by way of exchange for it, what is most needful for us? If we receive money that answers all things procurable by commerce; if we can't get that, we should firstly aim at whats most *serviceable* rather than at *curiosities*. And I presume the same rules hold good, as to *Commerce* between one Countrey and another. I suppose this Province doth not raise nigh so much *Provisions* as is needful to feed our-selves, and supply our *Shipping*, we buy much from other places, while so, would it not be an hurt to send any *Provisions* to a *Forreign Market*? But out of the produce of our Labour, we may spare great quantities of *Fish, Oyl, Whalebone, &c.* and for these, what returns should we chiefly desire? Why things that are most serviceable and necessary for us, and not for needless Commodities, sundry of which were glanced at in the Letter *March 6th.*

And I think least of all should we desire so much *Rum* as is spent here. These *Northern Plantations* on the Continent, are great sufferers by the vast quantities of *Rum* spent among them. Tho' in some cases it may be useful *medicinally*, yet I have no reason to think that 'tis proper for any, to make an usual *drink* of it if the *Excise* were so raised, that it could not be retailed under Ten Shillings a Quart, I believe it would be ten times better for this *Province* than it is. If the high price might restrain many of the poor labourers, from getting *Rum* and *Flip*; I believe their needy Families would be much better provided for than they are. Don't some say, that when Men drink so much, they drink the blood of their Wives and Children; that is, they waste the cost which should provide necessaries for their Families.

If the *Labourers* in my Family spend one fortnight [9] (I'll suppose) in a year, to get *Hoops* or *Staves* for a West India Market; and we spend the returns of it in *Rum*, this would be but a miserable *Commerce* for my Family. We could have done well enough without the *Rum*, and if that Fortnights Labour had been spent in raising *Grain*, there would have been a better supply of Necessaries; if in raising *Flax* or *Hemp*, we might be employ'd in the Winter in dressing it; instead of spending our Time and burning our Skins over our *Drams*.

I'm humbly of the Opinion, that multiplying of *Taverns*, *Licences* to Retail Drink, and the Drinking so much *Rum*, have been unspeakably hurtful to this Province, and if not speedily retrenched will evidently hurt and impoverish us much more. If the needless cost in *Rum* in a few Years past were computed, would it not amount to as much as the Inhabitants of the Province have taken up upon their Lands? If that cost in *Rum* had been spared, might not this Mortgaging their Lands have been in some measure prevented? If any ingenious Person could pretty fully inform the Publick, how much *Rum* is Retailed and Spent in this Province in One Year; it might possibly give to some a new view of things, and make them more careful to prevent or suppress what threatens us.

The Order that I proposed, requires that I should nextly say something about MONEY. And by this I principally mean & intend, *Gold* or *Silver* that has some *Mark* or *Stamp* on it by *Publick Authority*, shewing it to be Legal and Current Coin, whether it passeth by Tale or Weight. Tho' I conceive what passes by *Tale* is supposed to have such a *Weight* as the Law prescribes for it, as *Crowns*, *Shil-*

*lings*, &c. As for such *Silver & Gold Money*, I think it is Universally esteemed by all Civilized Nations, has been so in all Ages; and is reckoned the best *Medium of Trade or Exchange*, by all that are much used in Buying and Selling.

*Money's* more durable than Eatables, Drinkables and other Commodities which Person often Exchange with [10] one another. In *Silver & Gold* a great Price or Value may be contained in a small Compass, a small Quantity: a small handful of *Money* may buy Cart-Loads of some other things that are yet very useful for us. *Money* also is easy of *Transportation*, a great Value may be easily Transported by Land or Water. These considerations render *Money* very Commodious and Useful in *Trade or Commerce*. *Gold & Silver* are reckon'd to have an *intrinsick Value* in them, and sometimes they are used to make *Rings, Jewels, Spoons, Cups*, &c. but *Money's* chiefly useful to Men, as its the most convenient Medium of Exchange or Commerce. The Wise Man says, *Money answers all things*. If a Man has *Money* enough, he may buy *Food* and *Raiment*, any thing for *Necessity* or *Delight*, that's attainable by Commerce. Generally Men had rather have *ready Money* than any thing else, for what they Sell; and *Money* will more readily Buy what's wanted, than any thing else will. This proceeds from the Universal Value and Esteem, which Men have for *Money*. It's true, *The love of Money is the root of all Evil; Covetousness is idolatry*; if we take such *Corruptable Things as Silver and Gold for our chief treasure*; if we make *Gold our hope, & fine Gold our Confidence*; I say, to do this, must needs be criminal, provoking to God and hurtful to our selves; yet the Universal Esteem Men have for *Money* (if it be not excessive) seems to be a favour and benefit of God to Mankind; because thereby

it becomes an Universal Medium of Exchange or Commerce. If a Man has Forty different things to buy, and *Money* enough; 'twill buy them all as readily or more readily, than if he had Forty sorts of Commodities to part with for them. There's an Esteem of *Money* which is lawful not vicious; when its valued as the best Medium of Trade or Exchange. Such an Esteem of it *Abraham* had, when he offered *Money* to buy a Burying Place; and *Jacob*, when he sent *Money* to *Egypt* to buy Corn in a time of Famine; and *David* [11] when he offered *Money* for a Spot of Ground to build an altar on. *Money* being the best, most approved Universal Medium of Exchange; the more plenty there is of it among a People, the more easily they may manage all their Affairs of *Trade* or *Commerce*. If a Man can have *ready Money* for what he doth, or Sells, and his *Money* will Buy what he has occasion for, this renders the management of his Affairs very easy, to what otherwise 'twould be. A Bartering *Trade* is very troublesome, tho' sometimes needful for want of *Money*. It was one of the great Outward Blessings of King *Solomons* Reign, that *Money* was very plenty among his People.

Inasmuch therefore as the *Export* of this Country, must necessarily exceed what we spend of Imported Commodities, in order to the making *Money* pass Current among us; it must needs be wise in us, to Spend as little as need requires of Imported Goods, and to Raise, Make, Produce, as much as we can for our own Supply. The great Wisdom of our *British Nation* appears in encouraging their own *Produce*, their own *Manufacture*; in encouraging *Labour*, *Industry*, *Diligence*, Useful *Arts* and *Trades* among themselves, that so their own *People* may live by their own *Labour*. And should not we who proceed from them imitate this their

laudible *Wisdom and Industry*? Methinks the more we do so, the more we deserve their Praise and Commendation. If it is Wise and advantageous in them to do thus, must they not commend it as Wise and Advantageous in us, to imitate them herein?

The Preamble of our *Act*, 1716. for Emitting on *Loan an Hundred Thousand Pound Bills of Credit*, says, 'All the Silver Money which formerly made Payments in Trade to be 'easy, is now sent into Great Britain to make Returns for 'part of what is owing there. Since they have all our *Money* already, they must needs rejoyce to see us more Industrious and Frugal to maintain our selves, that we mayn't run farther into their [12] Debt, and have nothing to pay them. *Parents* are pleased to see their *Children* Thrive by their Business; and must it not be pleasing to our *Nation*, to see us to imitate the Wise, Industrious Example they set us, as to Thrive and Prosper also, at least to Support our selves? Would it not grieve them to see us Proud, Lazy, Extravagant, Spend-thrifts, bringing our selves (for want of Wise Industrious Methods) into perplexing Difficulties? Yet how faulty are we herein? We have been so deficient in *Farming*, and managing our own *Manufacture*, lived so much above our *Abilities*, spent so much of *Imported* Commodities; that our *Money's* gone, there's scarce a Penny of it passing for a Twelvemonth. We *need pity*, and *deserve shame*, for these our Mismanagements; let us be Wise and do better.

Now Consider, NOTES OR BILLS OF CREDIT. Indeed I have not so great a clearness in my own mind about these things, as possibly some others have; Yet I'll humbly offer, that I take the Nature of such *Bills* to be to help

our *Memories*, shewing how much is Due to us; and the securing our Interest, by Intitling us to so much as the Bill specifies, from those obliged by it to pay us. A *Note* or *Bill of Credit* is not *Money*, nor supposed (in it self considered) to be *Payment*, but rather a Security that Payment shall be made in such a time. A. obliges himself by a Note under his Hand, to pay *Five Pounds* to B. in Two Months time; this Note is neither Money nor Payment, but carries the Nature of a Bond or Obligation, to make Payment at the Time mentioned. The present want of *Money*, seems to be the very reason & Foundation of this Note; for if he who Binds himself by it, had *Five Pounds Money* to lay down, what need he Bind himself to Pay it Two Months hence? Every one had rather have present pay, than be assured by a Note he shall be paid hereafter. If every one could make present Pay, for Work done or Goods Bought; he would have no occasion to desire *Creditor's Patience*, or [13] to give a Note to Pay him after such a Time. So that generally speaking, *Present want of Money*, is the Reason or Foundation of Notes or Bills of Credit.

Of such Bills, some are of a more Private, some of a more Publick nature. I conceive their private ones concern (ordinarily) only those Particular Persons whose names are mentioned therein. If A. obliges himself by a Note to pay Five pounds to B. in three months from the Date thereof; this Note is of no benefit but to B. nor can it effect any good for him, till the three months are ended. If a Note mentions the term of time, when payment is to be made; at the Expiration of that term, the Obligation should be fulfilled, and payment be deferred no longer. If no particular term be mentioned, but A, is obliged to pay Five Pounds to B. upon Demand, it's



then supposed, that very quickly, or whenever *B.* pleases, he may demand and receive his Five Pounds.

Some such thing as this must necessarily be understood, where there's no particular term set for payment; else the Note would only be a Declaration, that *A.* would always owe for Five Pounds to *B.* and a thousand of such Notes or Declarations are not worth a *Straw*: I would thank no man for his *Note* or *Bond*, obliging himself always to owe me a Thousand Pounds, for if he always owes it, he never pays it, and so I shall never be the better for it.

This may shew too, how weak and groundless a fancy 'tis, that *Paper Money* (as it's called) or *Province Bills*, or *Bank Bills*, if such there were, might be confirmed and establish'd so, as to be of perpetual currency and use like *Silver Money*. Those who entertain this Notion, may for all me, please themselves with *Notes* and *Bonds*, whereby Persons ingage always to owe (consequentially never to pay) them so much — Again *A.* may give a *Note* to *B.* to receive Five Pounds of *C.* or in other words, may draw a Note upon *C.* to pay unto *B.* Five Pounds upon sight of said Note, or [14] in so many Days after. If *C.* doth protest or refuse this Note, then 'tis of no present immediate use to any one. If *C.* accepts the Note, he's then oblig'd to act as that directs. In this case the Note is of no immediate use or benefit to any but to *B.* again.

If *A.* gives a *Note* in General terms to this purpose, 'viz. 'I acknowledge my self Debtor Five Pounds to the Possessor 'of the Note, and oblige my self to pay said Sum at the end 'of Three Months, from the Date hereof. Dated this '&c. — *A.* —

Such a *Note*, persons may receive or refuse at pleasure,

none can be obliged to accept it, but the more the Ability and Honesty of A. (who Subscribes the Note) is known, so much the more likely 'tis, that the Note will pass with some persons, if they're satisfied 'tis not Counterfeit.

These *Bills* or *Notes* already mentioned, are of a private Nature; their whole Credit or Value depends on the Ability, and Obligation of some particular person considered as in a private capacity.

But then other *Notes* or *Bills of Credit* are of a Publick Nature; there is, the Authority or Government in a Kingdom or Country, ingages to make them good, to Pay or Discount them. I take our *Province Bills* (and those of Neighbouring Governments, *New-Hampshire, Connecticut, &c.* to be of this Nature. And tho' these Bills are in common Discourse called *Paper Money*, yet the Law does not look on them as *Money*, but calls them *Bills of Publick Credit*. He therefore that receives one of these Bills, doth not receive Money, nor pay properly so called. He that pays down what he owes, hath not occasion to be credited or trusted; but inasmuch as the *Province* had not ready Money to serve the Publick occasions, therefore they emitted these Notes or Bills of Credit, as Security to the Possessor of the Bill for the Sum specified in it. For Instance, the Twenty Shillings Bill. 'This Indented Bill of Twenty [15] Shillings due from the 'Province of the Massachusetts-Bay in *New-England*, to the 'possessor thereof, shall be in value equal to Money; and 'shall be accordingly accepted by the Treasurer, and Receivers subordinate to him in all Publick payments, and for 'any Stock at any time in the Treasury &c.

He that possesseth the Bill, do's not possess *Twenty Shillings*, for that Sum is due (therefore not paid) to him; nor

do's he possess Money, for the Bill is to be in value equal to Money, therefore the Bill is nothing but a Note or Instrument whereby the Province is obliged to Pay or Discount Twenty Shillings to the Possessor. I use the word pay or discount, because tho' the Bill says, Twenty Shillings are due, from the *Province* to the *Possessor*, yet it do's not directly say, that the Province shall pay Twenty Shillings to the Possessor; but only that this Bill shall be accepted as equal to Money by the Treasurer, &c. or if there be any Stock in the Treasury the Possessor may bring his Bill, and have Twenty Shillings worth (as I take the meaning to be) of said Stock.

But I don't see it likely, that there should be any Stock in the Treasury besides Bills; while the Bills are to be received there at *five per Cent advance*; for while so, who would pay his *Tax* in any thing besides Bills? The Province owes the Possessor Twenty Shillings, when the Possessor is taxed one and Twenty Shillings to the Province, and brings this Bill, the Treasurer receives it, and so the Twenty Shillings due to the Possessor is discounted, yea, his Twenty Shillings pass for Twenty one Shillings, by the five per Cent. advance. So that I humbly conceive, the principal way of Sinking the Bills, will be by calling them in, and discounting with (rather than paying) the Possessor.

The Fund or Security for Province Bills, is the Duties of Impost and Excise, and also the Tax to be levied on Polls, and Estates both Real and Personal; as Appears by the Acts for emitting Bills. *Ano.Dom.* 1702. & 1703. [16] Therefore the more of these Bills are received into the Treasury, by *Impost*, *Excise* and *Rates*, so much the less the Province is in Debt; for this drawing Bills, discounts with the Possessors of them.

And the shorter the time is for drawing in of Bills the greater will be their value and esteem in the minds of Persons. Every one desires present pay; if this can't be had, yet the sooner the Debt is paid or discounted, so much the better to the Creditor. Any one had rather have a Note from his Debtor; to pay him in Three Months, than in three Years. Therefore to defer the paying or discounting a Bill of Credit is a certain and effectual way to depreciate or lessen the value of it. In Private Dealings, if a Person finds that he whom he Trades with, doth not keep his word, nor pay at the time he oblig'd himself by his Note; he'll be the more backward to deal with or trust him for the future: This is too true and plain to need proof. The nature of the thing is the same, as to Publick Bills. It's the promise or ingagement of the Government, that gives the whole value and currency to the Bill, and makes so much due from the Province to the Possessor of it. If therefore the Ingagement be not complied with at the time set, but payment (or calling in or discounting the Bill) be postponed; does not this lessen the value of the Bill? and some wise and good Persons even doubt about the fairness of this postponing, however it seems plain, that it do's not commend Publick Ingagements, to the belief or trust of Persons.

Do's it not give them an handle to argue; that if the fulfilling of one Public promise be postponed, so it may be with another, and what will publick Faith (or ingagement) signifie after this rate? Whereas it is the Wisdom, Honour and Safety of any Government to have their Credit strengthen'd, and all their Ingagements readily relied on.

If some will say this *Postponing* is no hurt, for the [17] promise is made to ourselves, and we may defer the accom-

plishment at pleasure. Reply. But is not the matter otherwise? The Ingagement in the Bill is made by the Province or Government, not to it, but to the Possessor of the Bill. And generally speaking, none but he to whom the Promise is made; can fairly *release* or *defer* the Accomplishment of it. If a Person engageth to pay me 20 s. at Two Months end, when that term is Expired, he can't fairly *defer* Payment, without my leave or Allowance.

However, if *Postponing the drawing in of Bills*, does sink the Credit or Esteem of them, and so raise the Price of Commodities Imported and Produced here; this hurts many. The *Merchant* and *Husbandman* seems least hurt, because they can raise on the Commodities they Sell to each other, and so keep a sort of Ballance. But those suffer greatly, who live on *Salaries* and on the *Interest* or *Incomes* of their Estates; and so do *Tradesmen* and *Day-Labourers*. If I'm a *Labourer* and can have *Four Shillings* for a Days Work, and a few Years ago I could buy *Wheat* for *Five Shillings* a Bushel, but now must give *Ten*; this shows, that the Produce of my Labour is not above half the Benefit to me that it was. This is a very great pressure and burden on poor Labourers, and I can't but think it's much owing, to the mean opinion Persons have of *Bills of Credit*.

I think I have heard, as tho' in *South-Carolina*, *Silver Money* has been above 30 s. an Ounce, and that a *pair of Shoes* have cost above *Forty Shillings* there in Bills, when possibly 8 or 9 Shillings in *Silver* would have purchased them. We should take heed in this *Province*, that we don't stear the same Course with them. Therefore it seems much for the advantage of this People (in my apprehension) to have the *Bills of Publick Credit* called into the Treasury, as

soon as the Establishment they are on will admit of. To increase such Bills, or continue them out longer than the foot they're on requires, appears to me to be a me-[18]thod for continuing and increasing our misery. To desire the Emitting more Bills, or Postponing the Collecting of outstanding ones, is plainly desiring to be in Debt, whenas every wise and honest Man should desire to be out of Debt, & to owe no man any thing but love. *Parents should lay up for their Children*, but if the present Generation do not draw in the Publick Bills as soon as fairly may be, they may Intail Debts on their Posterity; who must (Buy as it were, &) Pay for the *Inheritances* their Fathers left them, if they would be the full and proper Owners of them. And is it not unkind in Parents, thus to anticipate, and while Living to spend on that which after they are Dead, their Children must Labour and Pay for?

But here's a Difficulty to be considered, *Paper Money* (as 'tis called) is so scarce already, that it's something troublesome to deal between Man and Man for want of more; and the more is called in, the greater will the Difficulty be.

Reply. Tho' its difficult now and probably will be more so for a while, yet it may be considered, that the pressing Difficulty should make us do all we can to get rid of it; which (I suppose) can't be done, till the *Bills* are called in and Burnt. This can't be done at once but gradually. And the lessening their Quantity will certainly increase their Value, so that gradually they'l be esteemed as good as *Silver Money*, tho' now there's a vast Difference. And I think the Price of Commodities Imported and Produced here, must necessarily *fall*, as the Value and Esteem of *Bills* do *rise*. This seems a likely way too, to make *Money* gradually pass

again among us; For if the Value of Bills does rise to be Equal with *Money* in Private Commerce, and Five Shillings in *Money* will Buy no more than a Five Shilling *Bill*, then the *Possessor* will almost as readily part with one as t'other. But now, tho' Quantities of *Silver* (as I've heard) are Yearly brought into the Country, yet the difference between [19] that and Bills being so great as 'tis, the *Silver* does not pass between Man and Man in common dealing, but is bought up by the *Merchants* to make Returns to Great Britain.

If you ask, Whether An Act to cause *Impost & Excise* to be paid in *Silver*, would not oblige Merchants to bring it into the Country, and so gradually make it pass among us?

I'll modestly reply, it belongs not to me to decide this Case; yet Two Difficulties seem to attend it.

First, Would not this lessen the Value of *Bills* if the *Publick* should prefer *Silver* to them in such a way?

Secondly, Is not this directly contrary to the Tenor of the *Bills* themselves? That says, the *Bill shall be in Value equal to Money, and shall be accordingly accepted by the Treasurer, &c. and in all Publick Payments*. If to give Currency to the Bill, the Government have made it Equal to *Money* in all *Publick Payments*; nay 5 per Cent. better in such Payments; then how can it be refused in *any* Publick Payment, and *Silver* be preferred to it, without directly contradicting the Publick Engagements, which alone has given it all the Value it has? If therefore we would make no *infractiion* on the *Bills*, or the *Establishment* they are on; I see no way to *raise* their Value and Esteem among People, but by lessening their Quantity and calling them in as soon as fairly may be. And tho' the doing this may increase our Difficul-

ties in some regards, yet it may decrease them in others. I think our over Trading, Living above our Abilities, needlessly spending *Imported* Commodities, and doing too little to supply our selves, have evidently, tho' gradually brought these Difficulties, we should therefore be patient (not fretful and quarrelsome) under them, and be thankful to Divine Providence, if we may gradually (tho' with many an hard rub) get rid of them, and not Intail them as a mischief and misery on Posterity.

I suppose *Money* is now as *Plenty* as ever in the World [20] in General, and daily increases rather than decreases; its now as much esteemed as ever, as a Medium of Trade. And if we were Prudent and Industrious and Frugal, I don't see but that we might have our share in it (in an ordinary course of Providence) as well as formerly, and as well as other Countries who have no *Mines* but receive it only by Commerce. Possibly the Ingenious may have many *Schemes* and *Projections*, to bring and keep *Money* in the Country, but I can think of none so honest and likely, as to make our *Export* exceed our *Import*, which by Industry and Frugality (with an ordinary blessing) we might easily do. We can't be so *Sanguine* as to think, that other Countries will give us *Money* for nothing; if we have it of them, it must be by way of Exchange for some Produce of our Country, or the Fruit of our Labour. If therefore we make our Export exceed our Import, it must needs bring and keep *Money* here, and I'm humbly of Opinion, that no other method will be effectual to do it. If a Private *Family*, besides what they spend of their own *Produce* raise *Twenty Pounds* worth for a *Market* Yearly, and Yearly Buy *Thirty Pounds*, then they're *Ten Pounds* in Debt and behind hand. But if of the *Twenty* they



*Sell*, they lay out but half, then they're *Ten Pounds* before hand, they have it ready to serve their occasions. And if the Province in general would do thus with reference to other Countries, would it not bring *Money* here. I think all the Province in their various Capacities should endeavour this; and none more (with Submission) than you in *Boston*.

I humbly conceive, your case as loudly calls for pity and some speedy methods of redress, as the Case of any Town in the Province, if not more. Your thriving (humanely speaking) depends on the numerousness of your People; and their being suitably imployed. But don't your numbers of late decrease? has not the low esteem of Bills so raised the price of necessaries, That *Trades*-[21]*men* and *Labourers* can scarce subsist. Is not their being put off with half *Money*, and half *Goods*, a great damage to them? Besides this, if they're Diligent and receive great wages (as the hirer thinks) yet that wages sufficeth not to payment; *Rates*, to buy *Wood*, *Food*, *Cloathing*, &c. Have not these difficulties caused many of your Laborious People to move out of your Town? and if these difficulties continue and grow, wont they drive away more? And do's not this thining of your *Laborious Inhabitants*, tend to hurt and weaken you? If your Members continue to decrease, some of your wealthy Men may rather be called owners of Houses and Shops, than Land-Lords, for they'l scarce have Tenants to hire them, or if they have, the continued high price for necessaries, will render them unable to pay rent, and possibly make them a Charge to the *Town* too. If this be not the present Aspect of the present Posture of Affairs, then I'm mistaken in my guess.

Therefore I think Wisdom and Interest should move you,

to endeavour in your Station as far as fairly may be, to diminish the quantity and thereby raise the value, of Bills of Credit, that so a reducing the price of necessaries may encourage your industrious Inhabitants to abide with you, and draw others such unto you. And for you to pitch on some proper methods, to promote *Industry*, & *Manufacture* among you, that so your People (by Gods blessing) may live by the fruit of their Labours, to me seems necessary to prevent your farther *Diminution*, and to prevent your Poor being so *numerous*, that their Neighbours will scarce be able to Support them, but rather be obliged to Sink with them; I've heard that you in *Boston* are very charitable, ready to give Alms, and I believe it; Possibly some think, if good Part of what's thus bestowed, were put into a *Stock* to employ the Poor, it might be better for your Town. You lay up *Grain* in Store to supply your Inhabitants, I suppose it prudent to do so, But if your Inhabitants [22] by the produce of their Labour, can't pay for it, it's but a sorrowful Case still.

You may think on two things. Would not the settling of a *Market* help you? are there not many needless *Retailers*, who buy up *Provisions* and Sell them with advance to their poorer Neighbours? Do not the Poor oppress the Poor in this? Is there no remedy for this? Would not a well regulated *Market* help you greatly? The Scripture frequently speaks of *Markets* as usual in former times; And I suppose the Ancient and Populous Cities who now use them, would by no means be without them.

If the Licenses to Sell Drink among you, were greatly diminished, would not this help you? If I'm not greatly mis-inform'd abundance of Cost and Time is needlessly

spent among you in Drink, and even by the *Poor* that can't subsist without Alms.

Obj. *Retailing Drink promotes Trade.* Ans. It's the *Redundance* and *Excess* of it that I'm against. In this the Seller spends his time, without raising one farthings worth produce for Publick Good, and the buyer spends Time and Cost for what he had better be without. This is double damage to the Publick.

If you should now ask, whether a Law to make Bills equal to *Money* between Man and Man, and to make them answer Specialties that is Bonds for *Silver* &c. would not ease our Difficulties and bring in *Silver* among us.

*Reply.* I own myself unable to see thro' the Propriety of such a Law. For I conceive it not easie if possible for humane Laws to change Mens minds about things?

Tho' the *Law* allows *five per Cent.* advance to Bills in Publick payments; and made the tender of them for payment (*Anno Dom.* 1712) sufficient to stop Execution, I say, notwithstanding these Acts in favour of the Bills, yet Men don't esteem them as Money, but will give (as I am told, Twelve Shillings in Bills for an Ounce [23] of Silver, which Ounce by our Law is but a small matter above Seven Shillings; A Law indeed might lay restraints and threaten Penalties, but it can't change Men's minds, to make them think a piece of Paper is a piece of Money, They'll not readily believe such a Transubstantiation, if Men really think that Silver is more for their profit than Bills, I don't see how a Law to make them equal in Trade, can universally govern their Practice in buying and selling which are voluntary actions; For if the Law should threaten a Fine to him, that would ask Twenty Five Shillings in Bills for Twenty

Shillings in Silver, yet if a man ask me whether I'll sell such a Commodity I have; I may surely ask him how much he'll give and in what. And if he offers me Twenty Five Shillings in Bills, I may refuse it if I please, who can oblige me to Sell? When yet if he offered Twenty Shillings in Silver, possibly I might gladly receive it.

I readily grant, that a Law to make Bills and Money equal in Trade, might probably make some alteration in practice; but as to the Expedience of such a Law, I hesitate, and submit it to wiser Judgments.

As to the other part. viz. To make Bills to answer Specialties, I'm at present not able to see thro' the fairness and honesty of it.

English Men are justly Fond of Property as well as Liberty. If I have Land or Goods to sell, I may ask a price I think proper; If none will give it, I keep what's my own. If any offer to buy, I may ask how much they'll give and in what? if they offer to pay me in Gold, I may refuse it, if I chuse Silver rather, and if we make a plain honest Bargain, the buyer is obliged to pay me so much Silver in such a time; surely I may justly claim it, when the Time's expired, if he neglects to pay and I thereupon sue him, would not any honest *Jurors* and *Judges* find and declare for the Plaintiff? In matters of *Meum* and *Tuum* as they're called, I think the common rules of Justice and Equity would say; that [24] none but he to whom the Obligation is made, can fairly release or lessen that Obligation; If I Sold Land a Year ago, and the Buyer was obliged to pay me so much Silver for it, at the Term of Two Years; and a Law comes between and says, I shall take *Bills* instead of *Silver*, am not I a sufferer? I think Laws are commonly supposed to look

forward, and not backward. The Law in *Anno Dom.* 1712. which made the offer of Bills for payment sufficient to stop Execution for Debts, contracted since *Octob.* 30. 1705. yet did it on this foot, as appears from the *Preamble*, viz. That such Debts were Generally understood to be contracted for Bills. And so that Law, justly made an exception for *Specialties*, and express Contracts in Writing. If you say, But to make Bills answer *Specialties*, would be an ease to many poor Debtors. *Reply.* But if it's unjust and injurious to Creditors (whether poor or rich) who dare plead for it? God himself has said, *Ye shall do no unrighteousness in judgment, thou shalt not respect the person of the Poor; nor honour the person of the mighty. Neither shalt thou Countenance a poor man in his cause.* Justice and Equity should be preserved between Debtor and Creditor; whether they're rich or poor.

If you say, What then shall those do who are obliged by their own voluntary Bonds to pay Silver, now there's no Silver passing? *Reply,* I would advice such Debtors to beg forbearance in their Creditors, and say to them, (submitting to Providence,) Have patience with me and I'll pay thee all; and let them honestly and industriously endeavour to do so. And I would advise Creditors to avoid extremities, vigour, not needlessly take their Brother by the Throat; nor gladly catch at an advantage, to squeeze from a Debtor, twice so much in value, merely because he can't get Money. Whatever advantage we may happen to have by any humane Laws, yet considered as *Christians* we can't be exempted from that rule, *As ye would that Men should do unto you, do ye also to* [25] *them likewise*; we should rather suffer some damage our selves, than bring a very great one on our Neighbours.

I presume that as Bills decrease in quantity they'll increase in value, and gradually before they are all in, be as good as *Money*. Therefore *Industry, Honesty, Frugality* in him that's under Bonds, and Patience and Forbearance in him that hath the *Obligation* (so far as he well can) seems the best way to prevent very great wrong, either to *Debtor* or *Creditor*. This advice refers especially to Honest Industrious Debtors, for if a person is in my Debt, and yet lives idly, extravagantly, is in no likely way to pay what he owes, but rather to spend and waste the Substance of *Creditors*, then what reason is there I should forbear him? Why should I suffer my Substance (gotten by honest Industry) to be wasted in gratifying his *Pride, Idleness or Extravagance*, If thro' his Extravagance he's not able to pay *Fifty per Cent.* why should I suffer him to go on till he can't pay *Twenty Five*? I presume many are now convinced, that the giving too much and too long Credit has been hurtful both to the Persons trusting and trusted, and 'twill be well if there don't speedily appear many more proofs of this.

As I would not advise any *Creditor* rigorously to take the advantage of his *Debtor*, so neither would I advise any Friend of mine, if he were *rich* and *able*, to hoard up *Bills of Credit* merely to make his Neighbours buy them with Silver at legal weight, to pay their *Taxes* with. I say I would not advise any Friend of mine to *hoard up Bills* for this purpose, lest he should get that Displeasure from Heaven which will be more bitter to him than all his *gain* by it, on Earth, would be sweet.

[26] Since we should *love our Neighbour as our selves*, how can we receive *Bills* of them at the low Value they're

now of; and yet lay them by on purpose to make them Pay us near twice as much for them in a little time? I desire no such Gain. And if any should hoard up *Bills*, thinking in a few Years to be paid for them out of the Treasury in *Silver*, at Legal Weight, they may possibly find themselves mistaken. For they are to be received for *any Stock* in the Treasury, and if the *Government* should see meet as *Bills* grow few and scarce, to take something else *besides Silver* for *Rates*, whether *Grain, Flax, Hemp, &c.* possibly when Persons come to have their *Bills* paid for, they may be obliged to take *such things* as shall *then* be in the Treasury. I humbly conceive therefore, it's most fair, honest and neighbourly to keep the *Bills passing in Commerce*, till they're gradually called in and burnt, and not to hoard them up from any *Private veiw*s or thirst after *Self-Interest*.

Thus Sir, out of true Love to my Country, whose Welfare I heartily wish and aim at, and without being asked by any one, or designing to flatter or disgust any Person or Persons whatsoever, I have once more open'd my Thoughts to you; I don't offer them with an imposing air, but modestly submit them to Censure. If upon Scanning what's offered, you see reason to fault any Sentiments therein, please to Ascribe it to the want of *more Skill*, and not want of *Good-Will*, to promote the Publick Welfare. If you and I differ in *Schemes* and *Projections*, yet let us be one in *Love and Friendship*; let us by no means *raise* or *cherish Parties or Divisions* (which directly tend to weaken and ruin a People) but bearing with different Apprehensions in each other; let us be Friendly, Neighbourly, Peaceable, Honest, Frugal, Industrious, every [27] one minding our *own Business*, and endeavour-

ing the *Welfare of the whole*, this will be most advantageous to the *Whole* and to all the *Parts* of it.

From your Friend among the *Oakes* and *Pines*, April 14.  
1719.

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BOSTON: Printed by S. KNEELAND,  
for B. GRAY, and J. EDWARDS, at their  
Shops, on the North and South side of the  
Town-House, in King-Street. 1719.

NOTE TO "AN ADDITION TO THE PRESENT MELANCHOLY  
CIRCUMSTANCES," ETC.

This pamphlet is linked to its predecessor not only by its title but also by a certain air of patronizing condescension which would seem to indicate the profession of its author. It lacks the fulness of the other in the suggestions as to dress, habits of life, and industries of the provincials, but is more methodical in its treatment of the special subject which commands the attention of the author than either of the two pamphlets which immediately precede it. In the first, relief is sought in more bills of credit. In the next, this method of relief is decried, and the colonists are besought to be frugal and industrious. In this pamphlet, the author devotes himself to a critical discussion of the relation of labor and commerce to the financial questions which disturb the province, discusses the question of what constitutes money, and analyzes the relation of bills of public credit to the money question. He earnestly opposes the postponement of the periods for drawing in the bills, recommends their destruction as they come in, so that the number in circulation may be steadily diminished, and insists that this will cause silver to rise.

The copy of the pamphlet and the facsimile of the first page were obtained through the courtesy of the Massachusetts Historical Society. The leaves measure  $6\frac{1}{2}$  by  $3\frac{3}{4}$  inches.<sup>1</sup>

<sup>1</sup> A copy of the pamphlet is to be found in the Library of Congress. It apparently belonged to Thomas Foxcroft. See *post*, p. 442, note.





THE  
**Distressed State**  
OF THE  
of BOSTON, &c.  
CONSIDERED.

In a Letter from a Gentleman in  
the Town, to his Friend in the  
Countrey.

---

*Boston, Printed for Nicholas Boone, at the Sign  
of the Bible in Cornhill: Benjamin Gray, and John  
Edwards, at their Shops in King-Street. 1720.*







T H E  
**Distressed State**  
O F T H E  
Town of B O S T O N, &c.  
C O N S I D E R E D.

In a Letter from a Gentleman in  
the Town, to his Friend in the  
Countrey.

---

*Boston*, Printed for *Nicholas Boone*, at the Sign  
of the Bible in *Cornhill*: *Benjamin Gray*, and *John*  
*Edwards*, at their Shops in *King-street*. 1720.



[1]

Sir,

**S**ince you seem so much concerned about the Distresses of the Land, and want to know how *Boston* fares in this Day of Common Calamity; I could do no less than gratifie you, by giving you my Tho'ts, though I know the Theam will be as unpleasant to you to Read, as it is to me to Write. Truly Sir, This which was within these Ten years, one of the most Flourishing Towns in *America*, in the Opinion of all Strangers who came among us, will in less than half so many more years be the most *miserable Town therein*.

The Medium of Exchange, the only thing which gives life to Business, Employs the Poor, Feeds the Hungry, and Cloaths the Naked, is so Exhausted; that in a little time we shall not have wherewith to Buy our Daily Bread, much less to pay our Debts or Taxes. How happy are you in the Countrey, who have your Milk and Honey of your own, while we depend on the ready Penny from day to day; and there are so few Bills Circulating (for Silver there is not a Penny passing) that People are distressed to a very great degree, to get Bills to procure the Necessaries of Life; and that not the Poor only, but good substantial House-keepers, who have good real Estates in the Place, such as we call the middling sort, who it must be acknowledged bear the greatest part of the Burthen; and by these Taxes support, both the Government, Ministry, and the Poor.

We find already the miserable Effects of the want of a Medium in these Instances; besides a Torrent of other mischiefs breaking in upon us, *viz*

The vast Number of Law Suits occasioned thereby, the Courts are open, and every Term, four or five hundred Writs (and perhaps more) given out against good honest House-keepers, who are as willing to pay their Debts as their Creditors would be, and have wherewith to Pay, but can't Raise Money, unless they will Sell their Houses at half Value, which they have been Working hard for, it may be these Twenty years, and so [2] turn their Families into the Streets; and this because they are obliged to Work for half, nay, some for two thirds Goods, and their Creditors will take nothing but Money; and so they are Squeezed and Oppress'd, to Maintain a few Lawyers, and other Officers of the Courts, who grow Rich on the Ruins of their Neighbours, while great part of the Town can hardly get Bread to satisfie Nature; Nay, to my astonishment, I am informed, that there a thousand Writs made out to this *April* Court, in this one County, which is a scandal to the Land, to have it spoken. And then,

I am perswaded that the Charges of the Courts in this County is *Six Thousand Pounds per Annum*; and this pays no Debt, but is a dead Loss to People, and brings them farther in Debt, and makes them the less able to support either Church or State.

The Law which was made about Twenty Months since to shorten Credit, happens to be very ill timed; and could the Government have foreseen the fatal Consequences which daily attend it, I am perswaded they would never have come into it, for tho' long Credit hath hurt us, yet this Remedy is worse then the disease. For, it obliges some who are naturally inclined to be favourable to their Neighbours, to be severer then else they would be; and others who are of a more Cruel disposition, are glad of such an opportunity to Oppress them,

by turning their Book-Debts into Bonds, and Exacting Interest, that the whole Land are turned Usurers, and thus Iniquity is Eventually though not Designedly Established by a Law; which was far from the thoughts of them that made it, for if the People complain of the hardship, their Creditors plead the Law for their Justification. Some have been so unmerciful, I have been Informed, that they have demanded their Debtors, to anticipate one or two Years Interest on the Condition they would take their own Bond without other Security, such a piece of Oppression surely was never Practiced among Turks or Infidels, and this done by Professors to the scandal of the Christian name, forgetting that Precept left them by their compassionate Saviour. *Be ye merciful, even as your Heavenly Father is merciful.* I am glad that Act is Temporary: & tho' it was made but for five Years, I fear many People will greatly suffer by [3] it, for besides the Mischiefs already mentioned, I could mention many others.

I confess to me the Law seems inconsistent with Justice and Mercy, if I have a right notion of either; it is to suit the punishment according to the degree of Crime; and the Law is always tender of the Criminal, not to Exceed in the Punishment. We are commanded *to put on Bowels of Compassion toward our Neighbour*, and while I do so, I fulfil the Law of Righteousness. Will any then say, I am guilty of a Sin, either against God or my Neighbour, in Extending my Compassion and Forbearance to him? One would think my own Act is a sufficient punishment, by losing the Improvement of what is due to me; but to make me lose my Debt for not complying with *that* Law, is to punish me for *that* which is no Sin; for the Word of God accounts it a Vertue.

I believe by this Time every body's Belly is full of the Publick Bank which was Projected, and they must be very short sighted surely, who did not foresee the wretched Consequences which would attend it; There will be more than *Threescore Thousand Pound* to Pay, and nothing to pay it with; for the Bills come in for the Interest; how then shall the Principal be paid! This is putting men on impossibilities, and in a worse Condition than *Israel* was in *Egypt*; for tho' their Tale of Brick was Exacted, without supplying them with Straw, yet it only obliged them to the more diligence and Industry to gather it themselves.

We are told, we must expect no more Bills, and Silver and Gold is become Merchandize, and Bought up for the Factors as fast as it comes in, and shipt home to their Principals; The Governour, Judges, Ministers, Schoolmasters and other Officers must be paid their Salaries, and I wish their Salaries were better then they are, if I could see how posible they should be paid, but I see plainly by and by it will be impossible. The Gentlemen who are against Emitting more Bills, think we have Money enough, and that there are *Two Hundred Thousand Pounds* out in all the Provinces; A Wonderful Cash indeed to manage the Trade of the four Goverments in which are more then Two Hundred Towns, and that [4] going into the Treasury Daily, that in a few Years they will be all sunk, and indeed what Bills are passing, are mostly of the other Provinces, our own Bills are hoarded up, with what Noble design I know not, but it gives Room to suspect the worst.

It is the Opinion of many, that within these Twenty Years, near a Million of Gold or Silver hath been exported hence, & I believe they are not much out in their Computa-

tion, yet I don't Remember in the best of Times I ever heard any complain that we abounded with Money, & now we are near double in Number and our Trade greatly Increased, and consequently it calls for a proportionable Cash to manage it, yet some Men think, or at least say we have Money enough.

When People Complain and say there must be more Bills emitted on one foot or other; The cry is No? No more Bills, Silver will never come in while we have any Bills, when they are all in we shal have Silver; but I observe, the Gentlemen who talk at this Rate are only Usurers, and Men who Live on their Salaries, Officers of the Courts and Lawyers, who never Trade, and therefore we are sure no Silver nor any thing else will come in through their means; would these few Gentlemen (for there are not many of them) call in their Bonds and enter on Trade and cast their Bread upon the Waters with their Neighbours to employ the Poor, what fine Voyages they may Project to bring in Gold and Silver I know not, but I confess it is past my shallow capacity to Project any such, I believe Men never Traded with greater uncertainties then at this Day, no Man knows where to make an Adventure to see a new *Penny* for an old one, is the common Cry of the best Merchants in the Place.

It is not sinking the Bills of Credit will bring in Silver, No? I rather think it must be done by going on Manufacturs, and so lessening our Import, & that must not be the work of a Day but of many Years to accomplish it, and those things cannot be gone upon to any degree without Money or Bills, were there more Bills, there are enough would go on such Projects, Iron would soon become cheaper, and Linnens and Woolens of our own make would grow more in use, as the



Spinners and [5] Weavers improved in making them, but there is no setting up such Works because there is no Money to Pay the Labourer.

That which hath kept this Town alive the last Year is the Number of Ships which have been Built in it, which Employs great part of the Town, I wish those who Build them, may find their Accompts therein, & be Encouraged to go on, it will be a great Mercy to us, & very much help us, but that alone will not do; There must be something to Pass from Man to Man by way of Exchange; ; it is Vanity to talk that such a Town as this can subsist without Money or some other Medium of Exchange; You may as soon perswade me that People can live without Breathing, as without something, to purchase their daily Food.

Now People work for half, & some for two thirds Goods, and so have a little Money coming in, but what will they do when it comes to working for all Goods, Is it possible for Men to Truck for a Pound of Butter, a Pound of Candles, or a Loaf of Bread, or many other things a Family is Daily in need of. No? it is impossible.

If we consider the Poor, we are promised a Blessing, and as it is most certainly the duty of every Man, according to his capacity to consider them, in such a distressing time as this; when good Honest, Industrious, Modest People, are driven to such streights, as to Sell their Pewter and Brass out of their Houses, which is scarce worse for wearing, to Brasiers, at the price of Old Pewter and Brass to buy them food, as I have been Informed by the Brasiers, who have spoke it with great concern to me. Much more doth Heaven expect it from the Government, who are clothed with Power, to take care they are not Oppressed or distressed; & indeed I am sorry to see

the Ministers of the Town so silent, when (if ever) it behoves them to improve all their Interest in the Government, that something may be done for the People to help them at such a time, when every man is taking his Neighbour by the Throat; saying, *Pay me what thou owest?* If they will bestir themselves, perhaps it might work some good Effect.

When any Gentlemen propose any thing to Relieve us, as several have done, one Scheme or other for Emitting Bills on Land Security. I observe the Gentlemen who explode these Projections, never propose any other [6] which makes People say, either they are not able to project any thing better; or else they really desire nothing may be done, *that* so they may advance their own Estates, and Families, by getting their Neighbours Lands at half value; but if any are so wicked, I am perswaded God will send his Blast on Estates so gotten, and the Labour of such People will perish; but I would hope, *that* men who profess the Name of Christ, cannot be so forgetful of *that* Precept he hath left us; *To do by all men, as we would be done unto.* Most certainly, If men oppose making more Bills, or hoard up them already made, with any such design, they are Breakers of the Tenth Commandment in the utmost latitude, and come but *little* short of *Ahab's* Sin, in the matter of *Naboths* Vineyard.

In all Places it is observed, that Great Men alwayes have their Followers, who hang on their Skirts; and some who have no thoughts of their own, make the Rich and Powerful their Oracle; and so it hath been among us; but these pinching Times I find cool their Courage, and make them change their Note; and indeed it is time for them so to do, for they feel the Difficulties as much as their Neighbours.

His Excellency the Governour saith, *He stands ready to*

*come into any thing which may be thought for our Relief, and hath Called on the Gentlemen of his Council, to Project something; who indeed are more immediately Concerned so to do, as being the Eyes of the People; but these Worthy Gentlemen are some of them Men out of Trade; some Country Gentlemen, who Live on their Farms, and others, men of plentiful Fortunes, who do not feel the Straits of the Times, and therefore cannot sympathize so feelingly with their Neighbours. They have a daily Supply of Money coming in, either for Interest, Salleries or Rents, which suffices for their Occasions from day to day; and tho' their Coffers are not so full as at some Times, yet they are not in want, and plagued as others are; which I wish his Excellency would consider, and not be perswaded by a few Gentlemen, That Silver will come in, till this once flourishing place dwindle away to nothing, to the great dishonour of his Excellency, as well as inseparable Loss and damage ot the Crown.*

[7] As I said before, our Province Bills are hoarded up and we are told we must have no more Emitted; but I believe the Government will find it absolutely necessary to depart from that Resolution; for if they persist in it, it will most certainly perfect our Ruin; for as I have already hinted, it is not Sinking the Bills will bring in Silver; but the other things I have mentioned, and others which might be projected, to lessen our Import.

Most certainly it was a very wrong step to Crush the Private Bank, and set up this Pulick Bank in its place, for the farther we go on in this way, the worse our Case will be, for as we use to say, Pay Day will come, but when it doth come there will be nothing wherewith to Pay.

Whereas the Private Bank would have still been the same, the Intrest Money would have circulated in Trade, and and not have been diminished; the Stock would neither have increased nor decreased, but remained the same intire Sum which was at first agreed on, without any Addition or Diminution; and I wish there was not too much of an Invidious Spirit, in the Opposition that Projection meet with from some Gentlemen least their Neighbours should reap a benefit by it as well as themselves.

I am of Opinion, that if the Government would come into it, to Encourage such a Bank, and strengthen it by their Authority, and make suitable Laws to support it, that it is the only Remedy which can be proposed to extricate us out of our Difficulties, it would not be attended with the fatal Consequences which attended the Publick Bank. I can think of nothing so likely to give us a quick Relief by setting the Wheels a going; Man is an Active Projecting Creature, and every Body almost would be Improving his talent, if Money were stiring, but the wisest Projections must lye still, if there be not Money to go on with them. I know [8] the Rich will oppose this; but the Richest Men are not always most beneficial to the Commonwealth, Men of Projecting Brains do most good to their Neighbours, for tho' they often hurt themselves by their Projects, yet others reap the benefit of them, and so the Publick is not hurt but helped by them, and I persume none will deny but that this Town hath been more advantaged by some Men now in it of mean Estates, then ever they were by the Richest Men in it. If any should deny it, I'll ven- to affirm and prove it.

But if the Government will not come in a project of a Private Bank, I can think of nothing better, then to go on some great & Expensive Work, & Emit Bills to carry it on, as Fortifyng our exposed Settlements, that would Encourage People to sit down, & till the Earth, and raise Hemp and Flax, and so bring down the Prices of Linen and Canvas, as well as Provisions, that we may be able to Export Provisions as in former times to the Islands, whereas we are now behold-ing to our Neighbours to supply us, this would help to Ballance our Foreign Trade, and consequently in time be a means to bring Silver among us.

If there was a Bridge Built over *Charles River*, If *Fifty Thousand Pounds* were expended to make it durable, and so a moderate Toll laid on all Carts, Coaches, Horses, &c. this would help us by imploying the Poor, and the circulation of the Bills would be a great service to every Body: and other things of this nature might be thought on.

I hope our good Friends in the Country will consider our miserable circumstances, & send such Men to Represent them next *May*, as may be Spirited [9] for our Relief, not Sheriffs and Lawyers, who are the only Men who are benefited by the straights of their Neighbours, else I fear Ruin and Destruction will come upon us, and truly it behoves you in the Country to consider this Town for your own sakes, *shall the Head say to the Members, we have no need of thee, or shall thee Members say to the Head in like manner*, as in the Body Natural; so it is also with the Body Politick in this Respect, our Interests are inseparable, and tho' I confess you can do without Money better then we, yet our want of Money to Buy, willvery much lower the Prices of all your Produce,

and your Lands will soon fall in Esteem and Value accordingly; and this the Coasters Experience already this Spring: they are obliged to trust out their Provisions, and some to Truck them away for such things as they know not what to do with by reason there is not Money to Buy with.

And now least I should for this plain Dealing be accounted an enemy to the Governour or present Ministry. To justify my self I solely Declare as in the presence of GOD, who knows my sincerity; that I Esteem & Honour the Governour, and every Gentleman of his Council, with whom I have acquaintance, and am prejudiced against no Man; It is the good & Happiness of my Country that lies upon my Spirits and hath Influenced me hereunto. I have no private *sinister* aim in pursuit separate from the good of the whole, but am animated only by a sense of the distresses of the Town and Country, for want of a Medium of Exchange.

It is a dark Day upon us, I pray GOD to Guide and Lead his Excellency and his Council, and others concerned in the Government, into some Measures for the Relief of the People, that when ever his [10] Excellency is called from us, he may (as I am perswaded is his desire) leave us in better circumstances then he found us, which will endear his Memory to us, when he is gone from us.

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## F I N I S

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NOTE TO "THE DISTRESSED STATE OF THE TOWN OF BOSTON," ETC.

This pamphlet, which was written by John Colman, the founder of the Land Bank in 1740, bears no other date than that of the year,

1720, which is on the title-page. It was however advertised in the News Letter of April 11, 1720, and on the 14th of April the following appeared among the advertisements in that publication :

At a Council held at the Council Chamber in *Boston*, upon Tuesday the 12th of *April*, 1720.

**H**IS Excellency Communicating to the Board a Pamphlet lately Printed and Published in *Boston*, Entituled, *The Distressed State of the Town of Boston, &c Considered in a Letter from a Gentleman in the Town to his Friend in the Country. Upon Reading the same, The Board were of Opinion, That the said Pamphlet contains in it many Passages Reflecting upon the Acts and Laws of the Province, and other proceedings of the Government; And has a tendency to disturb the Administration of the Government, as well as the Publick Peace.*

*And thereupon Voted That the Justices of the Peace at their General Sessions Enquire after the Author and Publisher of the said Pamphlet, and proceed therein according to Law and Justice.*

Josiah Willard Secr.

In pursuance of this vote Colman was arrested. He gave bonds, and on the 5th of July his recognizance was discharged.

On the 18th of April there appeared in the News Letter a lengthy reply to Colman's pamphlet. There is good reason to suppose that the Reverend Edward Wigglesworth was its author. Inasmuch as it was referred to later in the pamphlet discussion, it is desirable that it should find its place in these pages. It will be found below in full.

The Boston News Letter. Number 836.

April 18. 1720

"The Country-Man's Answer, to a Letter Intituled, *The Distressed State of the Town of Boston Considered.*

"SIR,

**I** Received your Letter, and shall draw up an Answer to it at large, when I have a little Leisure from my Husbandry, and have inquired into the Truth of matters of Fact ; for I must needs tell

you, we have a great many Lyes of late Years, and generally about this Season of the Year sent up from *Boston*, and with great Industry spread among us, with respect to the State and Management of our Publick Affairs and especially a New Governour being expected; and therefore you must Excuse us if we don't believe every thing that you send to us, either in Writing or Messages.

"I am truly sorry for your distressing and threatenng Circumstances in *Boston*, tho' I must needs say, it is no more than I have for some time been afraid of, when I have seen your sumptuous Buildings, your gallant Furniture, your Costly Clothing, and the profuseness of your Tables, and the great and scandalous Expence at Taverns, besides a great deal of other Extravagance; I have been always afraid what the Consequence of these things would be; and we are told that not only the Government, but the Ministers of your Town have with all Faithfulness and Seriousness warned you hereof. We think it very strange in the Country, that when the General Assembly have framed Laws, for the good of the Community and even for the Ease of Debtors to prevent their Oppression, that any private Person should Arraign the Wisdom and even the Justice of the *Legislature*, this is such a practice as never was attempted before, and we suppose will not be countenanced.

"As to Silver and Gold we never had much of it in the Country; but we can very well remember, that before we had Paper Money, there was a sufficiency of it Currant in the Country; and as the Bills of Credit, came in and multiplied, the Silver ceased and was gone; and of all Men, you in *Boston*, especially the Merchants, should be Silent as to hat matter, for you have shipp'd it off, and yet now complain of the want of it.

"As to the Publick Loans or Bank as you call it, all the World knows that the General Assembly, especially the Country part had never thought of or consented to it, had it not been upon the great Sollicitation & pressing Importunity of the Trading part; and yet now you Arraign their Wisdom and even their Goodness, this must be lookt on as high Ingratitude. We are very much surprized, you should Rake into the Ashes of the Private Bank Projection, that has been buried so many Years; you cannot but remember that not only



the General Assembly, upon the most mature deliberation, solemnly protested against any such thing; but even your own Town of *Boston*, at such a Meeting as we understand they scarce ever had before, by a great Majority utterly refused it. It is too large a Field to enter upon in a short Letter, to recite the endless Mischiefs and Confusion that Projection would have involv'd us in; and we and our Posterity shall have reason to be thankful, that we were delivered from it.

“As to your Project of Building of Bridges, Fortifications and otherways of laying out Money, one would not think by this Paragraph of your Letter, that your Circumstances were so Distressing as you pretend to.

“We understand the Province is now in Debt, £. 60000. and you would have it run £. 100000 more in Debt, and say it will be for our Advantage.

“That is what we cannot Comprehend, It should seem to us not only just to pay our Debts; but even Wise and Prudent for the Country to clear the old Score, before we begin a new one; and I suppose it will be very difficult to perswade the Government into any such Projection: If the Building a Bridge to *Charlestown* be of such weighty profit, I believe the Country would rather private Persons should undertake, and run the Risque, and have the Benefits, than involve the Government in so chargable and dangerous a thing, and which is thought by some Impracticable.

“Your Advice as to setting up and encouraging Manufactures we very much approve of; and you may depend upon it, we in the Country shall, with the Favour of GOD raise our own Provisions, and wear Clothing of our own making as far as possible and live out of Debt.

“I am much mistaken if His Excellency the Governor and Council give you any Thanks for those few Sugar Plumbs you are pleased to sweeten them with, when you so much affront them in their Publick Administration.

“As to your Advice about the choice of our Representatives, which seems the main Spring and design of your Letter, we shall endeavour to choose Men of a Publick Spirit that understand and design the good of the Country in General, Men of good Substance

and Interest in the Country, Men well affected to our great Master King *GEORGE*, the Religion, Government and Liberties of *New England*, Men that will take care to ease the Debts of the Province; and not run us further into Debt, Men of Virtue and Peaceable Dispositions; and we earnestly hope your People in *Boston* will make the same choice, that so we may have a good and wise Election, and a Peaceable and happy Session, and the General Assembly have the Divine Conduct and Blessing on all their Arduous Affairs; and the whole Country be under the Protection and Encouragement they Enjoy, leading quiet and peaceable Lives in all Godliness and Honesty.

And I am

SIR

Your assured Friend."

The reference to the vote of the town of Boston on the question of the private bank is probably to the proceedings held in December, 1715.

On the 7th it was voted, "That a Town Meeting be appointed to debate and declare whether they are for a Publick or a Private Bank."

On the 12th of December, the free-holders and other inhabitants of Boston duly qualified assembled in town meeting and by their vote adjourned to assemble at the brick meeting-house in Cornhill for the conveniency of more room there, and accordingly were there assembled. The record of this meeting goes on as follows:

"After abt two hours debate in order to know the minds of the Inhabitants, whether they are for a Publick or Private Bank.

"It being put to Vote, whether it be the Opinion of the Inhabitants, that it is best for the S<sup>d</sup> Town to Endeavor that a Publick Bank be promoted. Voted in the Affirmative."

This decision was taken at a meeting so fully attended that they were obliged to adjourn to a more commodious room than the one in which they originally assembled, and the result was obtained after due deliberation.

John Colman, the author of this pamphlet, has already appeared in the currency discussion, his name being among those signed to

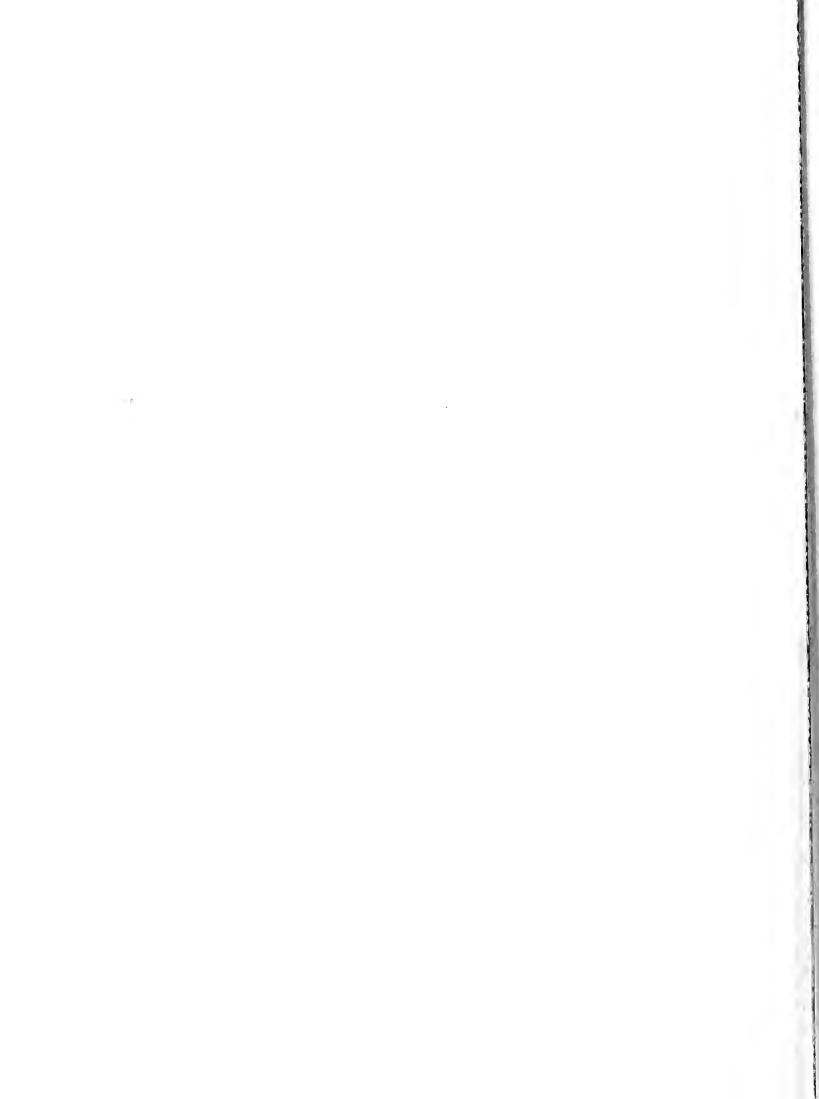
the "Vindication of the bank of credit," etc., in 1714. His connection with the pamphlet now under consideration is disclosed through the publication the same summer of a second tract entitled "The Distressed State of the town of Boston once more considered," etc., the authorship of which was acknowledged to be by John Colman. The notoriety which he gained in currency affairs was not founded upon these pamphlets, except in so far as their publication identified him with the theory that the relief from the evils under which the province was suffering was to be found in a private bank of emission. Although he was a prominent merchant in Boston, this notoriety ultimately reached a point far above anything to which his local social and political position would have entitled him. This is to be attributed to the fact that he was the leader of the Land Bank party in 1740.

It will be seen from a perusal of "The Distressed State of the town of Boston," etc., that Colman had a clear comprehension of the evils resulting from the fluctuating amounts of the currency in circulation, which resulted from the increase through loans to towns or counties, and the reduction caused by the payment of these loans.

When his economics took him beyond the field of his daily life, his lack of knowledge of the effects of a paper currency, and his inexperience in such matters proved to be a formidable handicap, and he argued that if the circulating medium was relieved from the diminutions caused by these withdrawals, the trouble would cease. These conditions would be brought about, he thought, if there were a private bank which should furnish the province with an adequate currency. He does not appear to have appreciated the fact that through the influx of Rhode Island bills there was notwithstanding the withdrawals, an excess of the circulating medium.

The pamphlet is ten pages in length and the leaves measure  $6\frac{1}{2}$  by  $3\frac{3}{4}$  inches. The copy and the facsimile of the title-page were originally procured through the courtesy of the Massachusetts Historical Society for "Tracts relating to the Currency," etc.<sup>1</sup>

<sup>1</sup> The following public libraries and societies each possess a copy of this pamphlet: The Boston Public Library, the Massachusetts Historical Society, the American Antiquarian Society, and the Library of Congress. The last of these belonged to Thomas Foxcroft. See *post*, p. 442, note.





# A LETTER

One in the Country to his  
Friend in Boston, con-  
taining some Remarks,  
upon a Pamphlet,

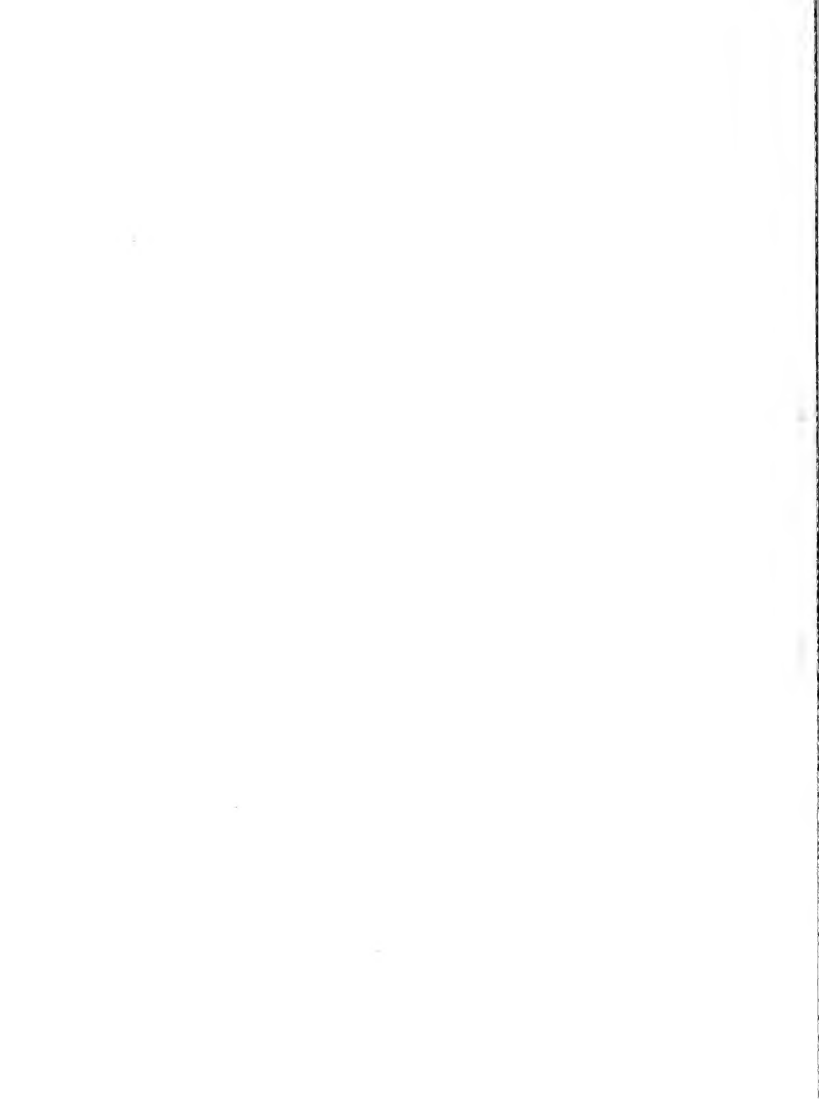
Intituled,

*The Distressed State of the Town of  
Boston, &c*

---

BOSTON: Printed by J. FRANKLIN, for  
D. HENCHMAN, and sold at his Shop over  
against the Brick Meeting-House. 1720.







# A LETTER

FROM

One in the *Country* to his  
Friend in *Boston*, con-  
taining some Remarks  
upon a late Pamphlet,

Entituled,

*The Distressed State of the Town of  
Boston, &c.*

---

*BOSTON*: Printed by J. FRANKLIN, for  
D. HENCHMAN, and sold at his Shop over  
against the Brick Meeting-House. 1720.





SIR,

**T**HE Papers and Pamphlets you lately sent me were a very acceptable Present, for which I return you hearty thanks. We that live more than half a hundred Miles from Boston, are apt to be very fond of knowing what's a doing among you; tho' sometimes after we know it, we find too much reason to lament it. So it hath happened in part to me. The pleasure of a Letter from my Friend, and of learning the Remarkable occurrences of the Town was considerably damp't by the concern which one of the Pamphlets gave me. I mean that Entitled, *The Distressed State of the Town of Boston*. Not that my Personal Interest is any more affected by the Notions in the Pamphlet, than that of almost any ordinary man in the Province. My Interest either doth already, or will very quickly (as you well know) lye chiefly the same way with the Interest of the Author of the Pamphlet, who is (I suppose) one of them that cast their Bread upon the Waters. But my trouble proceeded only from a Sincere Regard to the Publick Welfare, which I apprehend the Gentleman hath utterly mistaken, & even the true Interest of his own Town too; & yet he hath set his Mistakes (as I take 'em to be) in so plausible a light, as will be very likely to lead many others astray with him; And should the Government and Country fall into his measures, I am greatly deceived if we should



ever see good Days again, so long as such measures should be pursued. Besides, the Gentleman hath represented things in such a smart and moving manner as [2] (I fear) will tend much to stir & irritate men's Passions and revive those Heats and Animosities, which have done us too much mischief already.

However, I don't imagine he did this with any design to disturb the publick Peace. I suppose these things lay much upon his Spirits; and therefore when he set himself to writing, his heart (unobserved by him) waxed hot within him, and that naturally and almost necessarily enlivened and sharpened his expression.

As to your desire of my Thoughts upon the subject, the place which I live in is so remote, that I cannot be informed of the certain truth of several matters of Fact, which might serve much to enlighten and direct me; but yet I am perswaded from the Reasons of things, that (as I said before) the Gentleman is utterly mistaken in his Notions of the true Interest of his Country. However, I am liable to mistakes as well as he; I must leave it therefore to you, and with any to whom you shall think good to communicate my thoughts, to judge of the justness of them, and whether my Reasons are sufficient to support them.

In setting down my thoughts, I shall take notice,

1. *First*, Of some ill Uses which have been made of our Province Bills, and some unhappy Consequences of making such evil uses of them. And

2. *Secondly*, I shall make some Remarks upon the most observable Passages in the Pamphlet it's self.

1. *First* then, concerning the ill Uses which have been made of our Province Bills, and the unhappy Consequences of such uses.

When the Government first issued out our Province Bills, the *Trading Part* of the Country found themselves furnished with a *New Medium of Exchange*, which would answer the ends of Trade well enough among our selves: Upon this they quickly improved the Advantage put into their hands to import foreign Commodities in far greater quantities than the produce of the Country would make Returns for; and therefore they soon began to export the Silver Mony passing among us to make Returns with; which Silver they bought up with the [3] *new Medium* which the Government had put into their hands. When by this means Silver became a little scarce, they were obliged to give some considerable advance in Province Bills to purchase it. And this advance became greater still and greater in proportion as Silver grew more and more scarce. Besides, which I think some have remarked, that it received an observable Increase, upon the Postponing the Taxes, and the Emissions of Loan Mony once and again; so that it was lately at the rate of about *Twelve Shillings* an Ounce, and I suppose it continues thereabouts still.

Now Silver having for this Reason been reserved for divers Years past to be sold for Exportation, by this means Paper gradually became almost the only Medium of Exchange among our selves: The very *Counters* which pass among us for *Penies* had like all to have been swept away: Many of the Traders sometime after the Emission of the Loan Mony (as I remember) buying them at considerable Advance in Province Bills to send away, tho' they pass but for *half-pence* in *England*; so vile were the *Province Bills* in the Eyes of the Men, who now cry, they shall be undone if they have not more of them, that *they would lavish them away at the rate of Twelve Shil-*

*lings for an Ounce of Silver, and give fourteen Pence (as I think I have been told) some of them did for a dozen Counters, which they knew would go but for half-pence apiece abroad! And I desire to know whether the very Men who turn poor Labourers and Tradesmen off with one half or Two Thirds Goods, can't still find Province Bills enough to purchase Silver at the rate of about Twelve Shillings an Ounce, whenever they hear of any to be sold? But this only by the By at present.*

*Now as the Value of Paper hath gradually sunk in comparison with Silver, so the Merchants have advanced upon their Goods in some proportion, and so the Price of the Country's produce hath been gradually rising also; save that thro' the abundant Blessing of God upon the Husbandry of the Land last Year, the plenty of Provisions hath lowered the Price of it for the present; but had it not been for the plenty, the price of it would have [4] been as extravagant and the sale as quick as ever. some thing of the same nature may be said of our Oyl, which partly thro' the good Success of our Whale-men last Winter, but more especially by an Accident (which I forbear to mention) is said to be falling too. But as for other things which have not met with some such accidental alteration, as far as I can learn, their price continues as high as ever.*

That this is a true account of the rising of all Commodities and Necessaries of Life to the extravagant price they have been at for some Years past, is evident, *because any man might all along, and may still with Silver Mony, at seventeen peny weight, buy almost any Commodity or Necessary, at pretty near the same rate he might before our Province Bills were first issued out. I say almost any Commodity, &c. and at pretty near the same rate, &c. because I am sen-*

sible that in some things, at some times there hath been a difference (especially those things that are proper to be Exported to other Countries, as Fish, Oyl, &c.) for which there is another manifest Reason to be assigned, and that is this, That the Importation of foreign Commodities was for some Years so vast, that all the Silver our Merchants could procure, and the whole Produce of the Country besides, were not sufficient to answer for it. *This obliged our Merchants to catch greedily at any thing that would serve to make Returns with, and this gave the Possessors of such things an advantage to raise the price of them, even above the difference which there was between Paper and Silver.*

Thus the Trading part of the Country making an ill use of the advantage which the Emission of Province Bills gave them, by importing a vast quantity of needless foreign Commodities, have in the first place found themselves necessitated to buy up, and send off all our Silver and Gold to the perplexing and almost ruining the whole Country: and secondly because These and the whole Produce of the Country together were not enough to make Returns with, therefore they have catch'd eagerly at every thing fit to be exported, and by doing so have rais'd the price of such things: And this they have [5] done to their own Confusion, for now the price of such things is so high that there is hardly any thing fit to be exported, that will turn to any account in other Countries; *And so no man knows where to make an Adventure, to see a new penny for an old one:* Not because there is not mony enough still to purchase all the produce of the Country fit for Exportation (for if there were not, and so these things lay upon the Producer's hands, I am sure they would soon be cheap enough) but because we value our Paper

mony so little, and prize our Country's produce so high, that every thing costs more pence here among our selves, than it will fetch again abroad in Foreign Countries. Now whether Emitting more Bills be the way to encrease our Value for them, or to lower the price of our Country's Produce, I leave the World to Judge.

But this Mischief of sending off our Silver and Gold, and raising the Country's produce to such an extravagant price, is not all, for before the Law for shortning Credit, the Gentlemen concerned in Trade (to clear their Warehouses and Shops of Goods the faster and make room for a new Store, and Enliven Trade) were very fond of Trusting out great quantities of Goods, with almost any Body that would take them, And I doubt the same humour prevails two much still. Now we simple Country People being mightily pleas'd with fine things far fetcht and dear bought (so long as we could have goods without paying ready mony for them) made no scruple, many of us, to take up much more upon trust, than we earnt mony to pay for, hoping that a plentiful Crop of Corn or some other Smile of Providence would enable us to pay for all, one time or other. And since, when we have been dunn'd and worried by our Creditors, we have cry'd out for more mony too. Whereas the truth of the Case is, if there had been a Million of Province Bills Emitt'd, we could not have paid our Debts, unless Mony had been given us, or we had sold or Mortgaged our Lands to procure it, for we have had nothing to spare, which was worth mony, but what we have had and may still have mony for (unless it be Provision just at this time [6] by reason of the present plenty of it) but all we could produce hath not been near enough to discharge the vast Debts we had foolishly contracted.

And now what shall be done in such unhappy Circumstances? Why, say the Traders, *Do but two things and the Wheels will all be set a moving again, and every Body almost will have an opportunity to improve his Talent.*

1. *First*, Let the Act for Limitation of Credit be repealed. If this be done, Country People will throng our Warehouses and Shops again, and take as much on trust as ever.

And then,

2. *Secondly*, Let a private Bank be established. This all honest well-meaning People will go and Mortgage their Estates to, for money to pay us for the Goods we have *trusted* them with: We shall most of us be Bankers our selves, and by that means (first) we shall have mens Estates mortgaged to us. And then (in the next place) we our selves shall get the very money again immediately for which those Estates were mortgaged. When we have gotten such a fine sum of money, we shall snatch at everything fit for Exportation more briskly than ever. This will raise the price of such things higher than it hath been yet, and then it will turn to but little Account to send them elsewhere; and so we shall complain again, *that no man knows where to make an Adventure to see a new penny for an old one*: Unless (perhaps) those of us that are Bankers, should have our Mouths partly stopt with forfeited Mortgages, and the rest of us should take better Care than we used to do, to trust none but such as have good real Estates, which will pay for all at last.

I would not be understood to think, that the Author of the *Distressed State*, &c. and other Gentlemen in Trade, who wish to have the Limitation Act repealed and a private Bank established, do really say, or so much as think within themselves, that all the above mentioned pernicious consequences

would follow thereupon. Far be it from me to imagine so vile a thing of them. My opinion is, that they are sensible that such a Repeal and such an Establishment would give them some pre-[7]sent Relief, and that they have never look'd thoroughly into the Train of wretched Consequences which will ensue.

I have therefore mentioned these things only as Consequences which I apprehend will unavoidably follow from the natural operation of things, upon the Repeal of that Act, and the setting up of a private Bank, whether Men are sensible of it now or not. But I believe the Consequences will appear genuine to every disinterested Person (as soon as ever they are suggested to him) without any Argument to demonstrate them to be so.

2. I proceed now in the second place, to make some Remarks upon the most observable Passages of the Pamphlet it's self. In doing which I shall have frequent recourse to the Truths already advanced.

Boston, *which was within these ten Years one of the most flourishing Towns in America, will within half so many more years be the most miserable Town, &c.* page 1. The flourishing of Boston depends upon the flourishing of its Trade. The Distressed State of the Trade of *Boston*, is not owing to the want of Province Bills wherewith to purchase the produce of the Country to be exported on Adventures. All the produce of the Country is now bought up, and most of it at an extravagant price too; and all the Silver and Gold besides; as fast as it comes in, by our Authors own Acknowledgment, *p.* 3. The Difficulty is owing therefore to the high price of the Country's produce, that it won't turn to account to send it elsewhere. And this is a mischief the Merchants

have brought upon themselves by the means abovementioned; and the emitting more Bills of Credit will rather encrease than lessen the evil, because it will occasion the Value of the Bills sinking yet lower, and the produce of the Country rising higher in proportion.

But if there were nothing of all this, yet I should not wonder that the Trade of *Boston* fails now considerably; and I believe it will continue to do so (at least for a time) more and more. For this I think I can give two good reasons.

[8] 1. *First*, Several other Towns in this and the neighbouring Provinces, which during the late French War, depended chiefly upon Supplies from *Boston*, and traded themselves but little, and some not at all to foreign Parts, are now getting more and more into a foreign Trade, to the supplying in good measure not of themselves only, but of the adjacent Country also.

2. *Secondly*, The extravagant Price foreign Commodities have been at for some years past, hath put Country People lately upon making more for themselves and buying less from abroad. And this I hope they will continue to do still more & more; for which reason I could almost wish, that the price of foreign Goods might yet continue as high as ever.

*The Medium of Exchange is so exhausted, that in a little time we shall not have wherewith to buy our daily Bread*, p. 1. Actions speak louder than Words, and with more truth and certainty. It is a certain Truth, that the greater want men feel of anything, the more they value it, and the more loath they are to part with it. Therefore I beg you, Sir, to inform me whether your Merchants can still find Province Bills to lavish away at the rate of *Twelve Shillings* an Ounce for Silver, whenever they can hear of any to be sold. If this be the



Case (as I doubt it is, for our Author himself confesses, *p.* 3. that Silver and Gold is bought up yet, as fast as it comes in) then 'tis certain, the Merchants have Medium enough to carry on the same Trade still, which hath hurt the Country and themselves too all along, by exporting not only all the produce of the Country bought at an extravagant Price, but also all the Silver and Gold they can get besides, in order to bring in a needless excessive quantity of foreign Commodities, or to pay for them which are already brought in. And whilst this Trade is driven, 'tis vain to look for better Times. For while more is imported from other Countries and consumed among us, than our own produce alone can ballance, we must continue growing poorer daily. And while there are so many Province Bills standing out, as that Merchants can find their Interest [9] in buying Silver with them, most things will unavoidably continue dear, in proportion to the difference the Merchants make between Paper and Silver.

And indeed if Province Bills were become so scarce, that the Merchants cou'd not catch at the produce of the Country so eagerly as to hold up the Extravagant Price of it, and so had no occasion, nor indeed possibility of sparing them to buy Silver, I don't see that any body would be put to much greater difficulties than they are now. For if it were once come to this, that the Merchants cou'd not find their interest in exchanging Province Bills at any advance for Silver, then our Province Bills would be equally prized, and would purchase as much as Silver at *seventeen penny weight*, as indeed they ought: And so the price of all things would fall in proportion.

Now if by lowering of the price of other things, Twenty Shillings will purchase me as much a while hence as Forty

will now, then when such time comes, I shall be able to shift as well with Twenty, as I can now with Forty. So that the growing Scarcity of our Province Bills, seems to be the only means to raise the Value of them, & to lessen the price of the Country's produce. And when once our Bills are valued as high as Silver, then the Silver and Gold, which our Author himself acknowledges comes in, will be sure to stay among us; and not before. Then also the cheapness of things fit to be exported, would soon teach our Merchants where to make Adventures to see something more than a new peny for an old one.

*Next comes a complaint of the vast number of Lawsuits, of Writs out against honest Housekeepers, who can't raise mony to pay their Debts, unless they will sell their Houses at half value. And this because they are oblig'd to work for half or two thirds Goods.* With us in the Country Estates are near as high in Value as ever. No man hath Houses or Lands to sell, but what may have Mony for them if he be reasonable in his Demands. If Estates are sunk near half the value in Boston, I desire to be informed, whether Numbers of Tradesmen and Labour-[10]ers have not removed thence into the country within these few Years? And whether by this means Tenements and Houses have not been emptied of their Inhabitants? If this be the case, 'tis no wonder their price is fallen; for who that hath a House to live in himself, would buy one (for ought he knows) to stand empty? Or who that has no House of his own, would give a great price for one, when enough others stand empty ready to receive him for an easy Rent?

I desire also to be informed what it was that drove these Labourers and Tradesmen out of Boston? Whether it was

not being turn'd off with half Goods, by them that sav'd their Bills, to buy Silver, that they might send for more Goods, and so pay their Labourers again after the same manner? If this be so, the case of your Labourers is much to be pitied, and they would consult their own Interest if more of them would remove into the Country. We want their Labour, and should be glad to give them their Wages. We can't make the improvement of our Lands which we desire, for want of Labourers: Labourers think us obliged to them, if they will work for us at almost any rate.

*The Law which was made about Twenty Months since to shorten Credit, happened to be very ill timed &c.* I also am of the same Opinion but for a very different reason; And I will add, not *so effectual* as were to be wished neither, I think not *so effectual*, because so long a time as two Years was allow'd for trusting; and so people have not been sufficiently discouraged from running needlessly into Debt. Whereas had the time been limited to but a quarter or half a Year, far the greatest part of the Debts, which our Author complains men are now arrested for, had never been contracted. And I think it was ill timed, because it was not made many Years ago: If it had, and had been made so strict as to have utterly prevented trusting one another in Trade, I am sure the Silver and Gold could never have been swept away, nor any of the Calamities we are now groaning under been brought upon us. For it is easie to see, that if we had never trusted one another, the worst Husbands [11] of us all could not have spent more than we earnt; for when we must pay ready Mony for every thing we buy, we can't buy more than we earn Mony to pay for; unless we borrow

Mony at Interest to support our Extravagance; a thing which but few would have been so foolish as to have done. Indeed when Debts are already contracted, Do but set up a Bank to borrow of, and we have found from sad experience already, that men will be ready enough to mortgage their Estates for mony to pay their Debts. But (I say again) where Debts were not before contracted, few men would have been so foolish, as to borrow Mony at Interest to provide needless Fineries and Gew-Gaws for their Families. The Folly of so few could not have affected the Country. Now as none of us could have spent more than we earnt, had we not trusted one another, so doubtless many people in the Country wou'd have been so prudent as not to spend so much. And had some earnt more than they spent, and none been in a capacity to spend more than they earnt, I am sure the Country in general must have been on the thriving hand: It could not have consumed so much in foreign Commodities, as it would have raised of it's own Produce. The Exportation therefore would have been greater than the Importation of foreign Commodities; and so Silver and Gold, instead of being exported at the rate it hath been, would have been continually coming in to make the Ballance.

And as, if we had never fallen into the way of Trusting, we should never have come into the Difficulties we now labour under, so, if we cou'd all agree to leave it quite off, it would immediately begin to turn the Scales in our Favour: For when no man can consume more than the yearly product of his Husbandry, Manufacture, Fishery, &c. will furnish him with mony to pay for, if at the same time there be a number of People who wont spend all their yearly produce for foreign

Commodities; then it is plain, that the Yearly produce of the Country must be more than the Consumption of it; and if the yearly produce of the Country be more [12] than it's Consumption, then there will be yearly a Surplusage of the Produce of the Country to be exported. For this overplus (part of our Export) it will be to no purpose to bring in foreign Commodities, because the Country will not consume such a quantity: Therefore our Merchants must have their Returns for this Surplusage of our Produce in Gold or Silver, *Immediately*, unless they have Debts to pay first in foreign countries. All this (I think) is as plain and certain as a Mathematical Demonstration, and I challenge any man to confute it. I don't therefore see need of any other Project. Do but wholly leave off trusting, this alone will do the Business, and make all things begin to go well quickly. If you object, That it is impracticable to contrive a Law so as to put an utter end to Trusting; I am perswaded that is a Mistake. I think if I had time to enter upon the Argument, I could easily tell how an effectual Stop might be put to trusting by a Law, in such a natural and necessary way, as that hardly any body would ever come to suffer the Penalty of it: and then certainly, no body hath any reason to fear it.

Upon the whole, it is the duty of Civil Rulers to consult the Welfare of the Publick. Our Legislators saw the Door, at which all our Calamities have broke in upon us, standing wide open: They have pusht it partly to; and so have in some measure checkt the madness of the People, who without Fear or Wit were running into Debt, to their own Ruin, and the Ruin of them that trusted them, and of the whole Country. And now whether what our Legislators did, was

inconsistent with Justice and Mercy, let the World judge. I am only sorry that the Door was not close shut and barr'd. If it had been so, we shou'd have felt the comfortable effects of it before now. There would have been no opportunity for the Oppression complained of p. 2. And the Mercy of the Government in hindering inconsiderate People from doing themselves harm, would have prevented the need of Private Persons extending their compassion and forbearance to *them* whom they had dealt much more kindly with, if they had refused to trust them.

[13] I shall add one thing more, with reference to the Limitation of Credit, which I dont remember that any of the Writers about our present difficulties have taken any notice of. Nothing is more certain, than that a Trade may be gainful (at least for a time) to Merchants, which yet may prove *ruinous* to their Country. It is said the Trade with *France* would ruin *England* by draining it of its Mony, if the dangerous Importations from *France* were not discouraged by excessive Duties in *England*. England, being a Sovereign State, may secure it's self in that way; but we who are a poor dependent Province, may not discourage some Importations which we may think injurious to us, by incumbering them with heavy Duties. The only way we have to secure our selves, is to put an end to Trusting, or to allow but a very short time for it. For if People may not only law out all the Mony they earn for foreign Goods, but may also run as mnch into Debt as they please besides; and if they are gotten very mnch into the way of doing so, then it is very likely that as the Merchants have already carried off all our Silver, so they will in a short time make themselves Masters of most of our Lands also for Book Debts. Since

we have lost our Silver, it concerns us to look well to our Lands.

*I believe by this time every Body's Belly is full of the Publick Bank, &c.* I wish it were so; but I fear this is not the case. I know no good that it hath done: But if I am not mistaken, it hath prolong'd our Miseries, divided the Country into Parties, and given many men an Opportunity to involve themselves worse than they were before.

Many of the Borrowers of the Loan Mony, and of such as have a mind to borrow, are become so vain as to fancy, that *that* Mony will at last be paid by the Province, or else that it will never be paid at all. And truly I can't tell what might be done of that nature, if Borrowers should generally have the doing of it. However, I hope I shall make it evident, that it is every Man's Interest, who is not a Borrower to consent to neither of these Things.

For the First, I am sure it is not just that my Estate should be taxed to help pay a Debt which my Neigh-[14]bour voluntarily, and it may be needlessly run himself into.

As for the Second, the not paying these Bills in at all, This every Man that hath any of them in his possession is concerned to look to, whether he knows it or not. And for this reason; It is not the Governments saying, This indented Bill of so much, shall be in value equal to Mony, and so turning it into the world, which really gives it its value (as some perhaps fondly imagine) but because we know that we must all pay Taxes, and these Bills will enable us to pay these Taxes as well or better than any thing else; therefore it is that we value the Bills yearly emitted, for defraying the Charges of the Government, and if these Taxes had never been postponed, the demand the Bills would have been in

for paying Taxes, would have made us esteem them at an higher rate than we do now.

Again, because we know that there are good real Estates laid in Pawn for all the Bills emitted by way of Loan, and because we know that within a certain Term of Years, if we have any of these Bills in our hands, the borrowers must certainly buy them of us at their full value to redeem their Mortgages: Therefore it is that we accept the Loan Bills, and esteem them as Mony. Now if this be the truth of the Case, then, if ever it should be enacted that these Bills should never be call'd in, they would at once lose all their value, and be worth no more to them that have them in their keeping, than so many bits of Blank Paper.

Or if the calling in of these Bills should be deferred beyond the set time, it will make men doubt whether they will ever be call'd in or not, and so their value will sink in proportion to the Jealousie men have about it, which will likewise be to the Loss of the Possessors of them; so that it is plainly the Interest of every man in the Province that is not a Borrower, and hath any of these Bills in his keeping, that they should be called in precisely at the time appointed, to redeem the Estates that are laid in Pawn for them. For nothing else but this, when the time is once expired, can make [15] them as good as Mony to those in whose hands they shall be at that time.

*There will be more than Threescore Thousand Pounds to pay, and nothing to pay it with; for the Bills come in for the Interest: How then shall the Principal be Paid? This is putting men on impossibilities.*

This is all a great mistake; and yet it is a mistake almost every Man I meet with has fallen into, and is concerned



about. If any man wou'd clear up the difficulty, and publish it to the World, it would tend much to quiet the Minds of the People, and so do good Service. However, I cannot but wonder a little that those Gentlemen who are not able to solve the difficulty themselves, shou'd imagine the General Assembly cou'd all be so much in the dark as not to see so very obvious and Objection as this, and provide against it. Sir, I have neither Law-book nor Votes of the House by me, and therefore I fear I shall not be able to solve the Difficulty so clearly as otherwise I cou'd. However, I remember that the Act for emitting the 100000 *l* Loan, expressly provides, *That the Profits (that is the Interest) be applyed for & towards the support of the Government, as the General Court shall from time to time direct.* Now the Interest of the Loan Mony is but 5000 *l* a Year, whereas, the General Court (if I mistake not) hath for some Years past granted at least 10000 *l* to defray the Charges of the Government; now this is the whole Interest of the Loan Mony and as much more emitted yearly. If it be objected, that when 10000 *l* is granted yearly for the support of the Government, there is also at the same time a Tax granted to his Majesty in some Year to come, for calling in these Bills again. I answer, that this will create no difficulty to the Borrowers of the Loan Mony; because these yearly Emissions for the Support of the Government must continue till the ten Years for the standing out of the Loan Money are expired: And the Taxes granted for calling in these Bills, are set at several Years distance (the number of Years I dont now certainly remember,) so that the very last Year of the Loan Mony, there will be Bills enough standing out, [16] to pay not only the Interest, but also the whole Principal.

But there is another answer easier to be understood than this. Some years ago, the Tax for bringing in our Province Bills was Two and Twenty Thousand Pounds a Year. At length the Government thought fit to ease the People of so great a Burthen, and so reduced the Tax to but Eleven Thousand Pounds a Year, and Proposed to bring in the other half by Impost, Excise, &c. After the Emission of the Loan Mony the Tax was again reduced (to what Sum I don't now remember) and the Interest of the Loan Mony was added to the Impost and Excise, to help make up the Two and Twenty Thousand Pounds, which should have been brought in by the Tax alone. So that every Year that Five Thousand Pounds is paid as Interest of the Loan Mony, at the same time Five Thousand Pounds which wou'd otherwise have been brought in by Tax, is left standing out. And therefore at the Ten Years end, there will be Fifty Thousand Pounds standing out, which had it not been for the Interest of the Loan Mony, would have been paid in by that time by Tax. And this the Borrowers of the Loan Mony will have to pay that part of their Principal with, which hath been drawn in by Interest.

I hope this comes fully up to the Difficulty, and is plain enough for any Man that will but set himself a thinking, to understand; and will clear the Government of the unjust Imputation of being worse than the Egyptian Taskmasters.

*We are told we must expect no more Bills, and Silver and Gold is bought up for the Factors as fast as it comes in, and Shipt home, &c. p. 3.*

And so it always will be, while we have such plenty of Bills that the Merchants and Factors can find Advantage in

doing so. But I should think it prudence for the men who drive this Trade, not to lisp so much as a word about the miseries of poor People in Boston. I believe other Folks will think of these miseries often enough, and of the true reason of them, without being put in mind, by the Men that cause them. If our own Merchants are not guilty, but they are the Foreign Factors [17] only that drive this Trade, let not our own Merchants join with them in a Cry for more Province Bills, and make the miseries of poor people in Boston a Plea for it; but let them tell the World the plain Truth, That these poor People are paid in Goods for their Labour, *not for want of Province Bills, but because Factors save their Province Bills to buy up Silver and Gold, as fast as it comes in, that they may ship it home to their Principals, and so procure more Goods to pay Labourers and Tradesmen with: Let them tell the World, that it is by this means that Honest, Industrious People in Boston are brought to such Extremities, as to sell their Pewter and Brass to buy Food.*

*The Gentlemen who are against emitting more Bills, think we have Mony enough; that there are two hundred thousand pounds out in all the Provinces. A wonderful Cash to manage the Trade of the four Governments! &c.*  
p. 3.

I am myself at present in no Capacity to conjecture the Sum of the Bills standing out in the four Provinces; but let it be what it will, I think I am capable of proving, that there are enough of them to carry on a Trade as large, as it is for the Interest of the Provinces to have carried on. And I hope I shall do this with an Argument that every man can understand. There are Province Bills enough to buy up, at

a reasonable rate, all that can be spar'd of the Product of the Husbandry, Fishery, &c. of the whole Country. Let them that have any of these things to sell, offer them but at any thing near the rate they used to sell them for some Years ago for Silver, and I am certain they will soon find Buyers, and Mony enough. Nothing will ly upon their hands, except there be something not fit to be exported, which great plenty hath made a Drug of.

Now if there be Mony enough to buy, at a reasonable rate, all the Produce of the Country that can be spared, then every man that raises any thing to make Mony with, may turn it into Mony, and lay out all that Mony with Traders for foreign Commodities, if he pleases. So that it is a plain Case, that we have Bills enough still to enable every Man in the Province (if they were all minded [18] to be so much of Simpletons) to spend all that he can earn in the Year, on Traders for foreign Commodities. And what wou'd the Traders have more? Must Men spend more than they earn? Must publick & private Banks be established, that so when People have spent all they have earnt, they may know where to go and borrow more, to lay out for things they have no need of? And must the Lands of the Country groan under Taxes and Mortgages to uphold these Fooleries? All this must be done forsooth! Not for fear Trade should not be large enough still, but for fear it should not be so large as it hath been for many Years past, to the impoverishing and almost ruining the Country. I have read but little in the History and the Customs of other Countries: Pray, Sir, inform me, whether the Governments of other Countries, use, when Traders have fool'd away all their Silver and Gold, to be so very careful to provide

another Medium for them to play the Fool with again? I am apt to guess, that the Care in such Cases hath commonly been, to lay Trade under such Restraints, as that it can't be carried on, but to the Advantage of its Country.

*Our own Bills are hoarded up, with what noble Design I know not, but it gives room to suspect the worst, &c. p. 4.*

This Cry I have observed frequently to be made at some convenient Seasons; but why Mony should be hoarded just at such Times, or why men should hoard Mony now, that have not always made it their Custom to do so, I never could well imagine. It is commonly accounted a true Saying, that *Interest will not lye*; therefore I can't think that any let their Mony lye by them unimproved, in hopes of getting their *Neighbours Lands at half Value*; because I see no likelihood that such a thing will ever be effected. When once our Province Bills are by their Scarcity become equal in value to Silver, If the Government will but admit Taxes to be paid, and Mortgages to be redeemed with Silver, or the produce of the Country, those that have hoarded up Province Bills, will be glad to break up their Hoards, and get rid of them as fast as they can, lest they should become useless to them. Indeed if any Gentlemen that employ [19] a great number of Labourers, do (at some Seasons when it will serve a Turn to have a Clamour raised) turn off their Workmen with two thirds instead of one half Goods, or make them wait a great while for their Mony part, and tell them they can't help it, the Bills are hoarded, when it may be at the same time they are buying Silver with them; (I say if any do so) it is plain there may be advantage in it; and so there is room to *suspect the worst*;

tho' I don't know that any such thing as this hath been practiced.

*The Gentlemen that cry, no more Bills, are only Usurers, and men who live on Salaries, Officers of the Courts and Lawyers, &c. p. 4.* I will add all understanding Husbandmen, that I meet with, who have been so good Husbands as not to entangle their Estates.

*It is not sinking the Bills of credit that will bring in Silver, &c.* If he had said sinking the Credit of the Bills it had been very just. *It must be done by going on Manufactures, &c.* No great matters will or ever can be done at Manufactures while Labour is so dear; and Labour will always be dear, while Bills are cheap. Necessity is the Mother of Invention, and will teach men more Projects as well as more Industry and Good Husbandry than the Emission of more bills. I desire to be informed what Project, what Manufacture hath been set on foot to any purpose, by the 50 and 100 Thousand Pounds lately emitted? *The mony hath been generally Borrowed (as far as I can learn) to pay Debts contracted before, by virtue of long Credit.* And if an hundred Thousand Pounds more were emitted it would quickly go the same way.

*I am sorry to see the Ministers of the Town so Silent &c. p. 5.* If any of these Gentlemen can by writing set the true Interest and Duty of the Country (at such a day as this) in a clear light, they will do God and their Country excellent Service: but I hope they will be very cautious what they deliver in the name of God from the Pulpit, about these matters of doubtful Disputation which perplex the Government.

[20] *The Gentlemen who oppose the Schemes for Emitting*

*more Bills on Land Security never propose any other, &c.*  
p. 5.

No Projects will serve the turn, without Industry, Frugality and good Husbandry. Do but leave off Trusting, or shorten Credit as much as possible, and this will make us all Industrious, Frugal, and Prudent, whether we will or not, And I believe in the way we are now in nothing else will.

*Most certainly it was a very wrong step to crush the private Bank, &c.* I can't but hope that it will still be crush't. And that for the following Reasons.

1. Because such an Emission of Bills will keep their Credit always low, and that will make the produce of the Country porportionably high, that it wont turn to Account to send it elsewhere, and so our Merchants will always be at the same Loss they are now, where to make Adventures. It will also make Labour always dear, so that we shall never make any great Improvement in Husbandry or Manufactures. And at this rate Silver and Gold will always be one of the best things that we can make Returns with, and therefore will be bought up and Shipt off as fast as it comes in, and so we shall never get through our Difficulties.

2. Because we have found by the unhappy Experience of the Publick Bank, that if there be but a Bank to run and borrow at, the Ill Husbandry, Vanity and Folly of the People is such; that in a short time most of the Estates in the Country would become involved; and I think it much more for the Strength, Safety, and Interest of the Country both Civil and Religious, that the Estates should continue as at present in many mens hands, than that a few Gentlemen

should be Landlords, and all the rest of the Country become Tenants.

If you ask me why these Ill consequences will follow upon a Bank in this Country rather than in England? I answer, because as I observ'd before, We are not a Sovereign State. We may not check an extravagant Importation and Consumption of some foreign Commodities, by heavy Duties. The only way of doing this is, by shortning Credit, so that People may not be able [21] to consume more than they earn: And by not suffering a Bank for People to run to, and undo themselves by borrowing.

3. I am against a private Bank, because that when the Province Bills which are now out, shall once be drawn in, all the Cash of the Country will then be at the direction of the Bankers. And it is easy to foresee this Consequence, that whatever Project they may have in their heads, how inconsistent soever it may be with the publick Welfare, they wont want means to bring it to pass. Nothing will be restrained from them.

*Fortifying our exposed Settlements wou'd encourage Peoplt to Sit down and till the Earth. This would bring down the prices of Linen, Canvas, Provisions. p. 8.* I am inclined to think on the contrary, that one Reason of the great scarcity of Provisions we have been afflicted with of late years, was that so many People have gone into new Plantations where they have not yet been able to raise their own provisions. It would conduce more to the bringing down Provisions, to have the Land already taken up, better Improved by more Labourers upon it, than to have new unsubdu'd Lands enter'd upon.

But if our Author indeed desires, that the price of these



things should be brought down, why does he tell us Country People in the next Page that the want of money will lower the price of all our produce, that he may excite us also to joyn with him in a cry for more Money? The falling of our Provisions will *enable him to export them to the Islands as in former times. If there was a Bridge, &c.* The Poor who want Employment, wou'd do better service, to disperse themselves in Country and till the Ground.

*I hope our Friends will send men spirited for our Relief, to represent them, &c.* I hope also Men of a Publick Spirit, and heartily concerned for the Welfare of their Country, will be sent. *Not Sheriffs and Lawyers &c.* I will add, not Men in difficult Circumstances, who have involved themselves by their own Indiscretion. They that can't order their private Affairs with Discretion, will make but poor Managers for the Publick. Besides [22] whatever shall be proposed for the Publick Good, Men in a needy Condition will be sure to consider it in the first place how it will affect themselves, and if it be likely to increase their Straitness and Difficulty a little, (tho' but for a time) they had need be Men of great Integrity to give their Consent to it.

Thus, Sir, I have given you my Thoughts with a sincere aim at the Good of my Country; and without prejudice or affection to any Man, or Party of men. If you think they may be of Publick Service, you have leave to make them as publick as you please. If they are just, no man hath reason to be angry; If they are Mistakes, I shall be heartily sorry for it. If the Mistakes are dangerous, I hope the Gentlemen who think them so, will be so just to their Country as to warn it of them.

I have written these things in the utmost Hurry imagin-

able, for fear of losing the Opportunity to convey them. If you meet with any thing out of Place, or expressed too sharply or too obscurely, impute it to my great Hast, which wont allow me to correct and alter.

*I am, &c.*

*April 23, 1720*

*F I N I S.*



NOTE TO "A LETTER FROM ONE IN THE COUNTRY," ETC.

Sabin in his "Dictionary of books relating to America," etc., attributed this pamphlet to "E. Wigglesworth." A few years ago, while looking at some uncatalogued pamphlets in the Library of Congress, Mr. Worthington C. Ford called my attention to six pamphlets, all treating of the currency question in the period under discussion, and all marked with the name of Thomas Foxcroft, evidently the sign of ownership. One of this bunch of pamphlets was "A Letter from one in the country," etc. It bore upon the title-page the signature "Tho. Foxcroft" and the memorandum "p Mr Wigglesworth." Elsewhere this comment was made "Probably p Mr. Edw<sup>d</sup> Wig. &c. then orch<sup>r</sup> at Barnstable." If this had been "prch<sup>r</sup>," a contraction for preaching, it would have fitted in with the circumstances perfectly. This location of the author at the time when the pamphlet was written would agree with his statement made at the beginning of the "Letter," "We that live more than half a hundred miles from Boston," etc. If this be accepted as designating the locality of the residence of the author, the number of places which might be selected as his residence at the time is limited, and of these Barnstable is one.

Thomas Foxcroft, A.M., the supposed owner of the pamphlet bearing this endorsement, was a graduate of Harvard College of the class of 1714. He was a Boston clergyman, and at the time of his death, June 18, 1769, in the 73d year of his age, he was settled over the First Church of Christ in Boston as colleague-pastor. The Reverend Charles Chauncy, D.D., the surviving pastor of that church, just after Foxcroft's death preached an obituary sermon which was published. To this was appended an appreciative eulogy taken from the Massachusetts Gazette of June 22, 1769. Besides the six pamphlets bearing his name as owner which have been referred to, there is still another in the Library of Congress, which also bears his name. The Reverend Edward Wigglesworth, the reputed author of the pamphlet, was also a graduate of Harvard College. He received his A.B. in 1710 and in due course his A.M. From the University of Edinburgh he received the degree of S.T.D. in 1730. He was a fellow of the college from 1724 to the time of his death in 1765. He was the first Hollis Professor of Divinity, having been elected to that position in 1722, and he continuously held this professorship until his death. He was for many years a commissioner of the London Society for propagating the gospel among the Indians. He published numerous sermons and his name naturally found place in Appletons' Cyclopædia of American Biography and in Allibone's Dictionary of Authors, although the contributions which he made to the currency discussion were not, when these works were published, attributed to him. In 1740, the overseers of Harvard College voted "that it be recommended to Dr. Wigglesworth, that, in pursuing his course of divinity, in his public lectures, *he be more concise* in the several subjects he treats upon."<sup>1</sup> It is evident that in the interval between the publication of these pamphlets and the date of this vote, Dr. Wigglesworth's methods had not changed.

The name of Edward Wigglesworth is not associated permanently with that of any pulpit in the province, so far as I can learn, but he appears to have filled various pulpits temporarily. This fact is brought out in the funeral sermon preached by the Reverend Na-

<sup>1</sup> Quincy's History of Harvard University, Vol. II, p. 28.

thaniel Appleton.<sup>1</sup> It is repeated practically, although not absolutely, in a communication to the Boston Evening Post, No. 1533, dated Cambridge, January 19, 1765. These are probably the authorities upon which rests the statement to the same effect in Sprague's *Annals of the American Pulpit*, Vol. I, p. 275. It may be inferred from what Eliot says in his *Biographical Dictionary*, but the statement is not directly made there.

Wigglesworth's various contributions to this discussion are as a rule free from personal references. The following, however, means nothing if it was not aimed directly at the author of "The distressed state of the town of Boston," etc. The writer is analyzing the pamphlet of his adversary, paragraph by paragraph. He quotes, and what he quotes is placed in italics, while his comments thereupon are in Roman letters: "*I hope our Friends will send men Spirited for our Relief to represent them, &c.* I hope also Men of a Publick Spirit and heartily concerned for the Welfare of their Country, will be Sent. *Not Sheriffs and Lawyers &c.* I will add, not Men in difficult Circumstances, who have involved themselves by their own Indiscretion. They that can't order their private Affairs with Discretion, will make but poor Managers for the Publick." It is not assuming much to infer from this that Colman had had his business troubles.

The copy of this pamphlet and the facsimile of the title-page were originally procured for "Tracts relating to the Currency," etc., through the courtesy of the Boston Public Library,<sup>2</sup> and certain defects in the copy were supplied through the courtesy of the Lenox Library. The leaves of the pamphlet in its present condition measure  $6\frac{1}{8}$  by  $6\frac{3}{4}$  inches.

The News Letter of May 16, 1720, contained an advertisement of this pamphlet.

<sup>1</sup> A discourse occasioned by the much lamented death of the Rev. Edward Wigglesworth, D.D. By Nathaniel Appleton, A.M. Boston, 1765, p. 33.

<sup>2</sup> Copies of the pamphlet may also be found in the Library of the Massachusetts Historical Society, and in the Library of Congress.

# The Postscript

By Mr. Valentine

SIR,

**M**Y good Neighbour *Rusticus* quite tired of the *Distressed State* from Vill to Vill of a Country Brief for the Common C putting to my door, and desired me to thoughts upon it: In compliance with his request, I the Pamphlet in his Presence, and a very short paragraph hold my Sentiments: That the *Distressed Author*, whoever he was, To my apprehensions had taken himself, and by mistake had run the Towns Case Pa for I can't but observe in the true Copies of his fa always for his accuracy in Cyphers, he had with Errors miscalculated the Number of Law Suits: *ff.* he; That if one Person of the County of *Suffolk* (well) was five times Arrested the last Year; the County, Consisting of many Thousands, were all often, & so runs out his Law-Charges, to the amount of a mistake he might have easily rectify'd or prevented in the Clerks Office.

But why so angry at the Law, and Lawyers, if it be just, as he cannot but know many of them to be, or the other, but the Follies, Improvidences, and Shifts who have reduc'd and expos'd themselves to such Sufferings

The Law (says he) which shortens Credit happens: all the Government have foreseen the fatal Consequences, and are persuaded they could never have come into it. That the Government been tendu'd with the Wisdom of the Author they would never, &c.—

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## THE POSTSCRIPT.

SIR,

My good Neighbour *Rusticus* quite tir'd out with the *dispersion* of the *Distressed State* from Vill to Vill (like the Circulation of a Country Brief for the Common Charity) came at last puffing to my door, and desired me to Read, and give my thoughts upon it: In compliance with his request, after having run over the Pamphlet in his Presence, and a very short pause, I could not withhold my Sentiments; That the *Distressed Author*, of the *Distressed State* whoever he was, To my apprehensions had taken the Model from himself, and by mistake had run the Towns Case Paralel with his own; for I can't but observe in the true Copies of his false Epistle, allowing always for his accuracy in Cyphers, he had without an Exception of Errors miscalculated the Number of Law-Suits: for I take his Rule to be; That if one Person of the County of *Suffolk* (whom he knows very well) was five times Arrested the last Year; the rest of the People of the County, Consisting of many Thousands, were all of them Arrested as often, & so runs out his Law-Charges, to the amount of *6000 l. per Annum*; a mistake he might have easily rectify'd or prevented by a step to the Clerks Office.

But why so angry at the Law, and Lawyers, if the Causes of Action be just, as he cannot but kno' many of them to be, ther's no fault, in one or the other, but the Follies, Improvi-

dences, and Shuffles of the Persons who have reduc'd and expos'd themselves to such Suits.

The Law (says he) *which shortens Credit happens to be ill tim'd, and could the Government have foreseen the fatal Consequencies that daily attend it, he is perswaded they would never have come into it.* That is to speak Plain, Had the Government been endu'd with the Wisdom, Penetration and Foresight of the Author they would never, &c. . . . .

[2] But being tir'd with inveighing against Persons and Things in his Second and Third Page, he misapplies a Text or Two; And whilst his eye was upon the Gospel, 'tis pity he over-look'd and did not Read, and well Consider, the Apostolick Canon, *To be subject to the Higher Powers, Not to speak evil of Dignities, &c.* He wou'd not then have traduc'd the Laws and Law-Makers.

The Authors Notions and Schemes in Trade, his Projections and fine Pollicies, are so ingenuously answer'd and confuted by the Remarks of my Friend *Agricola* in his Yesterdays Letter, That I pass over to the Authors 4th Page, where, Contrary to his Great Genius, and avow'd skill in Legislation, tho' not to the Truth, He Confesses *'tis past his shallow Capacity to project fine Voyages.* I will not question but Credit the Assertion, from his own experience.

In his 5th Page he says, *Honest People are driven to such Streights as to Sell their Pewter and Brass out of their houses which is scarce worse for wearing, to Braizers at the Price of Old Pewter and Brass to buy them Food, as he has been inform'd, by the Braizers, who spoke it with great CONCERN to him.* And I do desire also to be inform'd, If the CONCERN of his whispering Braizers (whose hearts by the truth of the Story seem harder than the Brass they work



upon) proceeded from the Poverty of the Seller, or their own Extortion in taking the Poor House-keepers Goods at half Price.

The Author after having made bold with the State, Attacks the Reverend Ministers of the Town, *and indeed is Sorry to see them so silent when (if ever) it behoves them to improve all their Interest in the Government*; and thus whilst he needs Instruction, I had almost said Correction, He imperiously dictates to his Superiours. That from being Messengers of Peace, it behoves them to be Trumpeters of Riot & Sedition: doubtless as he is Sorry for their Silence, they cannot but be afflicted at his Speech; for I am told he has so bestirr'd himself, (to use his own phrase) That when discover'd he will be had (as we say in the Country) *Coram Nobis*.

[3] After having invaded what he takes to be the Office and Duty of the Clergy, I don't wonder at his distribution of the Anathemas or Curses, in the 6th Page of his Book.

The Governour and Council no doubt well understood his Compliments, tho' made with hearty Protestations; he seems alas! to be a little aware that his well ment Zeal now spent, had carryed him a little too far, and might even for ought *HE* knew be question'd; if his Book has out-run his intention, I am really Sorry for him, and for the Mischiefs and ill Consequences his Book *Eventually tho' not designedly has done*: For I must borrow again of him (to be paid when the New Bills come out \*) . . . . . But truly if Men may take

\* In the Boston News Letter :

London, March the 10th. By a Mail from France, We are told, That the People of the Country who supply Paris with Provisions receive nothing but Paper Bills instead of Species, upon which Meat is risen from 4 d. to 20 d. per Pound, and Bread and other Provisions proportionably.

upon them to Censure and Expose their Superiours, and insinuate into the Minds of the People distresses and dangers, and be allowed to vent their displeasure at such Acts and Proceedings of the Government as do not suit their particular humours; What must become of the Credit and Reputation of any Government, which is so necessary to preserve it.

I will say no more but Conclude with a Request, That you would please to leave the Answers and Remarks of *Rusticus* and *Agricola* at every Vill, to Condole and accompany the *Distressed State*.

*Your ready Friend.*

*Dedham, 1720.*

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#### NOTE TO "THE POSTSCRIPT"

"The Postscript" was nominally written at Dedham. It followed in chronological order the "Letter from one in the country" which was dated April 23, 1720, and preceded the "Letter from a gentleman" which bore date May 16, 1720. This is determined not from any date given in the pamphlet itself, but from the contents of "The Postscript" and the "Letter from a gentleman."

The author refers to two previous publications, which had covered the same ground that he undertakes to cover, viz., the refutation of the doctrines of Colman's "Distressed state of the town of Boston," etc., and speaks of them as though these publications had been emitted over the *noms de plume* of Rusticus and Agricola. He concludes his pamphlet with a request, "that you would please to leave the Answers and Remarks of *Rusticus* and *Agricola* at every Vill, to Condole and accompany the *Distressed State*." Inasmuch as there are no other replies to Colman's pamphlet which could have been left at "every Vill" as antidotes to the "Distressed State," except the "Countryman's Answer" and the "Letter from one in the

country " "containing some remarks," it is not assuming much to infer that the "Answers" of "Rusticus" and the "Remarks" of "Agricola" may be identified with Wigglesworth's communication to the News Letter of April 18 and his pamphlet of April 23, the same being respectively an answer and some remarks.

Attention was called in the note to the latter of these to what seemed to be an insinuation that Colman had met with some business misfortune. The author of "The Postscript" says, "He" — that is to say, the author of the "Distressed state of the town of Boston" — "*Confesses 'tis past his shallow Capacity to project fine Voyages,*" and then significantly adds: "I will not question but Credit the Assertion from his own experience." This evidently is a fling at Colman, based upon some business disaster which he had recently experienced.

The fact that a criminal prosecution was instituted against Colman on account of his connection with the "Distressed state of the town of Boston," has already been stated. The author of "The Postscript" asserts that when the author of the "Distressed state of the town of Boston," etc., "is discover'd he will be had (as we say in the Country) *Coram Nobis.*" This law phrase from the mouth of the attorney-general, the actual author of this publication, meant much more than it seemed to mean when considered as a mere casual expression in an anonymous publication.

The copy of the pamphlet was procured through the courtesy of the Library of Congress. A better facsimile of the first page might have been obtained there, than the one actually procured from the American Antiquarian Society. Unfortunately the copy in possession of this latter Society has been folded back, probably for convenience in filing, with the result that a strip has become detached and lost. The pamphlet is very seriously injured by this mutilation, but it still retains upon the first page the words "By Mr Valentine y<sup>e</sup>"; words fixing the authorship and by their presence determining the selection of this injured copy for the facsimile of the first page. The inch and a half or two inches of the leaf that are lost evidently contained some words descriptive of Mr. Valentine's vocation or office, and since there was but one prominent Valentine in the province at that time and he was then attorney-general, we may assume that

words descriptive of this office, either in full or abbreviated, furnished the conclusion of the above sentence. The leaves of the pamphlet measure  $7\frac{1}{4}$  by  $5\frac{1}{4}$  inches.

It is a singular fact that the name of Valentine does not occur in the indexes of the records of the selectmen of Boston, or in the indexes of the town records of that period, showing that there were none of the family who interested themselves in the slightest degree in town affairs.<sup>1</sup> There are very few Boston men of prominence of that day, of whom it can be said that their names do not appear in both of these records. Nevertheless it is true that John Valentine was a prominent lawyer in his time, and in 1720 he was attorney-general. Judge Sewall comes to our rescue in his Diary by recording on the 28th of November, 1718, that "Mr Vallentine our new Attorney Gen'l Treated his Excellency the Gov<sup>r</sup>, Lieut. Gov<sup>r</sup>, and Judges at Su<sup>r</sup>per," and on the 5th of February, 1718, 19, that "Mr Attorny Vallentine" appeared before the council. His name appears in Acts and Resolves of the Province of Massachusetts Bay, Vol. IX, p. 694, in connection with a memorial for services as attorney-general. Some idea of his ingenuity in framing pleas can be obtained from the notes to the eighth volume of the "Acts and Resolves," in which a number of cases are reported in which he acted as counsel on one side or the other. In June, 1704, John Quelch with a number of others was tried for piracy. It was requisite that the register of the court should be a notary, and as Valentine at this time held that office, he was sworn as register by the president of the court and served during the trial of the pirates.<sup>2</sup>

He was married to Mary Lynde, a member of a well-known Boston family. On Saturday, February the first, 1723-24, he committed suicide. Judge Sewall records that on the occasion of his funeral "Judge Davenport and Col. Fitch were invited to be Bearers, and came. But when they saw Mr Myles refused to read the Office of Burial, they ask'd excuse and went away." Other bearers were

<sup>1</sup> Valentine's name appears in the 29th report of the Boston Record Commissioners, which contains miscellaneous papers, as the owner of a house on Marlborough Street.

<sup>2</sup> Acts and Resolves, Province of Massachusetts Bay, Vol. VIII, p. 391.

found and the funeral was attended by many people. A eulogistic notice of the deceased was published in the Boston Gazette and in the New England Courant, and the same was inserted in the News Letter of February 13, on payment, according to Sewall, of one angel (ten shillings). Whereupon the Judge records that he caused to be printed, Dr. Increase Mather's sermon, entitled "A Call to the Tempted. A Sermon on the horrid Crime of Self-Murder," etc.<sup>1</sup> Appreciative mention of Valentine is made in Washburn's "Sketches of the Judicial History of Massachusetts" and a sketch of his life is to be found in "The Valentines in America."

Valentine's pamphlet is clearly expressed and there is little doubt as to the meaning of the language that he makes use of, the real difficulty in comprehending why its publication irritated so furiously his opponents as it seemed to do, may perhaps lie concealed under what he does not say. It will be observed that he finishes out two or three sentences with dotted lines, the reason for which does not suggest itself to the reader to-day, but may have been thoroughly appreciated by contemporaries. "For I must borrow again of him," he says " (to be paid when the New Bills come out) . . . . . " and here he adds a note about paper money in France. According to Cotton Mather, the bills were used for the propagandism of doctrine of some sort, perhaps of a financial character. Mather's words, entered under date of December 28, 1721,<sup>2</sup> are "O' Bills of Credit (which are all y<sup>e</sup> money we have) circulate into Numberless Hands. A Vile Sett of men, have contrived, by y<sup>e</sup> wicked use of their pens on the Backs of the Bills, to convey poison & mischief thro' y<sup>e</sup> countrey." For this purpose new bills alone would have served. Those which were in circulation soon became dirty, and were thereby made incapable of being used in any such manner. This fact alone connects Cotton Mather's curious item of information with Valentine's pamphlet, and this rather as showing what allusions might be hidden under a blank, than as an attempt to apply it to this particular lacuna.

<sup>1</sup> Sewall's Diary, Vol. III, pp. 330, 331.

<sup>2</sup> Diary of Cotton Mather in possession of the Massachusetts Historical Society.

The fact that the "Postscript" is dated at Dedham, combined with the elimination of Valentine's name from the Boston records of current date, might raise a doubt as to his place of residence. His will is, however, to be found in the Suffolk files, 1724, No. 4850, and if he really had any close relations with Dedham, he did not leave sufficient trace for a search to-day to reveal it.

The following is the obituary notice that roused Judge Sewall's indignation.

*The BOSTON News-Letter*

Feb. 13.

BOSTON, Feb. 13.

On Tuesday the 4th Instant, The Corps of *John Vallentine* Esq; His Majesty's Advocate General for the Provinces of the *Massachusetts-Bay, New-Hampshire* and Colony of Rhode Island, was here decently Interred: He was a Gentleman for his Knowledge & Integrity most Eminent in his Profession, Clear in his Conceptions, and Distinguishable happy in his Expressions. It pleased GOD, some short time before his Death to deprive him of these Excellent Endowments by afflicting him with a deep Melancholy which brought on the Loss of his Reason, and was the Cause of his much Lamented Death.



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